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ADDITIONAL APPROPRIATIONS, DISTRICT OF COLUMBIA, 1953

HEARINGS BEFORE A SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS HOUSE OF REPRESENTATIVES EIGHTY-THIRD CONGRESS FIRST SESSION

SUBCOMMITTEE ON DISTRICT OF COLUMBIA APPROPRIATIONS

EARL WILSON, Indiana, *Chairman*

CHARLES W. VURSELL, Illinois

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ADDITIONAL APPROPRIATIONS, DISTRICT OF COLUMBIA, 1953

WEDNESDAY, MARCH 25, 1953.

WELCOME TO NEW MEMBERS

Mr. WILSON. The committee will come to order. I want to take this occasion to welcome to the first meeting of our Subcommittee on Appropriations for the District of Columbia, the new members: Mr. Vursell, of Illinois; Mr. Hunter, of California; Mr. Norrell, of Arkansas; and Mr. Fernandez, of New Mexico.

I might add that I consider the District of Columbia very fortunate in having these men to handle the financial affairs of the District on the part of the House. All of them are men of high character and outstanding ability and highly respected members of the House.

SUPPLEMENTAL ESTIMATES FOR 1953

The meeting today is to consider supplemental estimates in the amount of \$3,871,931, as contained in House Document 106 for the fiscal year 1953.

Without objection, that document will be inserted in the record at this point.

(The matter referred to follows:)

[H. Doc. No. 106, 83d Cong., 1st sess.]

COMMUNICATION FROM THE PRESIDENT OF THE UNITED STATES TRANSMITTING
PROPOSED SUPPLEMENTAL APPROPRIATIONS FOR THE DISTRICT OF COLUMBIA IN
THE AMOUNT OF \$3,871,931.04 FOR THE FISCAL YEAR 1953 AND PRIOR YEARS

THE WHITE HOUSE,
Washington, March 18, 1953.

THE SPEAKER OF THE HOUSE OF REPRESENTATIVES.

SIR: I have the honor to transmit herewith for the consideration of the Congress proposed supplemental appropriations for the fiscal year 1953 and prior years in the amount of \$3,871,931.04 for the District of Columbia.

The details of these proposed supplemental appropriations, the necessity therefor, and the reasons for their submission at this time are set forth in the attached letter from the Director of the Bureau of the Budget, with whose comments and observations thereon I concur.

Respectfully yours,

DWIGHT D. EISENHOWER.

ESTIMATE No. 11, 83D CONGRESS, 1ST SESSION

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington 25, D. C., March 17, 1953.

THE PRESIDENT,
The White House.

SIR: I have the honor to submit herewith for your consideration proposed supplemental appropriations for the fiscal year, 1953 and prior fiscal years in the amount of \$3,871,931.04 for the District of Columbia, as follows:

"DISTRICT OF COLUMBIA

"FISCAL SERVICE

"SALARIES AND EXPENSES

"For an additional amount for 'Salaries and expenses, Fiscal Service,' \$100,000.

"COMPENSATION AND RETIREMENT FUND EXPENSES

"DISTRICT GOVERNMENT EMPLOYEES' COMPENSATION

"For an additional amount for 'District government employees' compensation,' \$41,500.

"REGULATORY AGENCIES

"SALARIES AND EXPENSES, OFFICE OF ADMINISTRATOR OF RENT CONTROL

"For an additional amount for 'Salaries and expenses, Office of Administrator of Rent Control,' \$17,000.

"PUBLIC SCHOOLS

"OPERATING EXPENSES

"General Administration, Supervision and Instruction

"For an additional amount for 'General administration, supervision, and instruction,' \$80,000.

"VETERANS' SERVICES

"For an additional amount for 'Veterans' services,' \$5,000.

"OFFICE OF CIVIL DEFENSE

"SALARIES AND EXPENSES

"For an additional amount for 'Salaries and expenses, Office of Civil Defense,' \$78,285.

"COURTS

"UNITED STATES COURTS

"For an additional amount, fiscal year 1951, for 'United States courts,' \$4,763.44.

"PUBLIC WELFARE

"SAINT ELIZABETHS HOSPITAL

"For an additional amount for 'Saint Elizabeths Hospital,' \$824,243.

"PUBLIC WORKS

"CAPITAL OUTLAY, SEWER DIVISION

"For an additional amount for 'Capital outlay, Sewer Division,' *to remain available until expended, \$2,500,000, of which \$1,000,000 shall not become available for expenditure until July 1, 1954.*

"SETTLEMENT OF CLAIMS AND SUITS

"For the payment of claims in excess of \$250 approved by the Commissioners in accordance with the provisions of the Act of February 11, 1929, as amended (45 Stat. 1160; 46 Stat. 500; 65 Stat. 131), \$45,013.15.

"JUDGMENTS"

"For the payment of final judgments rendered against the District of Columbia, as set forth in House Document Numbered 106 (Eighty-third Congress), together with such further sums as may be necessary to pay the interest at not exceeding 4 per centum per annum on such judgments, as provided by law, from the date the same became due until the date of payment, \$526.70.

	Amount of judgment	Costs	Total
Simpson Memorial Methodist Church.....		\$241.65	\$241.65
George P. and Evelyn F. Adair.....		90.50	90.50
Friendship House Association, Inc.....		132.30	132.30
Catholic Education Press, Inc.....		62.25	62.25
Total.....		526.70	526.70

"AUDITED CLAIMS"

"For an additional amount for the payment of claims, certified to be due by the accounting officers of the District of Columbia, under appropriations the balances of which have been exhausted or credited to the general fund of the District of Columbia as provided by law (D. C. Code, title 47, sec. 130a), being for the service of the fiscal year 1950 and prior fiscal years, as set forth in House Document No. 106 (83d Cong.), \$175,599.75.

"Salaries and expenses, Collector's Office, District of Columbia, 1950,	
Refunds.....	\$9, 880. 47
Repairs and maintenance of buildings and grounds, public schools,	
District of Columbia, 1950.....	35. 97
Operating expenses, Department of Corrections, District of Colum-	
bia, 1950, Support of prisoners.....	164, 461. 67
Operating expenses, Division of Sanitation, Public Works, District	
of Columbia, 1950.....	22. 80
Salaries and expenses, Glenn Dale Tuberculosis Sanatorium District	
of Columbia, 1950.....	203. 08
National Zoological Park, District of Columbia, 1950.....	400. 00
Operating expenses, protective institutions, Public Welfare, District	
of Columbia, 1949.....	242. 67
Operating expenses, Division of Sanitation, Public Works, District of	
Columbia, 1949.....	222. 78
Salaries and expenses, agency services, Public Welfare, interstate	
services, District of Columbia, 1948.....	31. 45
National Capital Parks, District of Columbia, 1947.....	75. 00
National Capital Parks, District of Columbia, 1946.....	23. 80
Total.....	175, 599. 75

"DIVISION OF EXPENSES"

"The sums appropriated in this Act for the District of Columbia shall, unless otherwise specifically provided for, be paid out of the general fund of the District of Columbia, as defined in the District of Columbia Appropriation Acts for the fiscal years involved."

The Commissioners of the District of Columbia have submitted the above-proposed supplemental appropriations to the Bureau of the Budget with the statement that such amounts are required to meet contingencies which have arisen since the transmission of the budgets for the fiscal years involved.

Inasmuch as the estimated revenues of the District of Columbia appear to be sufficient to provide for the expenditures proposed, I recommend that the foregoing proposed supplemental appropriations be transmitted to the Congress.

Respectfully yours,

JOS. M. DODGE,
Director of the Bureau of the Budget.

FISCAL SERVICE

WITNESSES

WALTER FOWLER, BUDGET OFFICER

WILLIAM G. WILDING, ASSISTANT BUDGET OFFICER

Mr. WILSON. The first item to be considered is the item pertaining to "Fiscal service" in the amount of \$100,000.

At this point I ask unanimous consent that pages 2 and 3 of the justifications be inserted in the record.

(The matter referred to is as follows:)

Amounts available for obligation

	Presently available	Revised estimate	Difference
Appropriation or estimate.....	\$1,992,000	\$2,092,000	+\$100,000
Reimbursements from other accounts.....	43,105	43,105	-----
Obligations incurred.....	2,035,105	2,135,105	+100,000

Obligations by activities

Description	Presently available	Revised estimate	Difference
<i>Direct Obligations</i>			
1. Assessor's Office.....	\$941,020	\$941,020	-----
2. Auditor's Office.....	590,500	590,500	-----
3. Collector's Office.....	460,480	560,480	+\$100,000
Total direct obligations.....	1,992,000	2,092,000	+100,000
<i>Obligations Payable Out of Reimbursements From Other Accounts</i>			
3. Collector's Office.....	43,105	43,105	-----
Obligations incurred.....	2,035,105	2,135,105	+100,000

Mr. WILSON. The committee will be glad to hear any comment that the District of Columbia representatives care to make and the Chair will recognize Mr. Fowler for this purpose.

Mr. FOWLER. Mr. Chairman, we are quite delighted to have this opportunity to appear before your committee, and we are certainly encouraged because we know that we have a very splendid committee.

Mr. Wilding, my deputy, will take up the first item because he is the one that is working on it, and I will ask him to justify it.

REFUNDS OF ERRONEOUS COLLECTIONS

Mr. WILDING. This estimate is for an additional amount of \$100,000 for the purpose of providing funds for additional refunds in this fiscal year of erroneously paid taxes and other collections.

In the appropriation for fiscal services, included in the District of Columbia Appropriation Act for 1953, there was included a provision for refunding erroneous collections in the amount of \$150,000.

The total amount of the appropriation for fiscal services was \$1,992,000. As of the end of last month, February 28, 1953, there remained unobligated of this appropriation of \$1,992,000 the amount

of \$553,766.11 for carrying on the purposes provided for in that appropriation for the year to end next June 30, 1953.

The amount set aside and specifically digested for erroneous collections has now been completely expended—obligated and expended, and we have refunds pending—the Collector of Taxes, who administers this refunding operation, incidentally with considerable reluctance, has refunds pending in the amount of, or what was the amount of, \$100,000 at the time this estimate was made up.

Since that time there have been further applications received. However, the estimate provides for \$100,000, and the Commissioners most earnestly recommend to the committee their favorable consideration of this item to the end that these refunds may be made in this fiscal year and out of the amount which we hope will be appropriated as a supplemental for this year.

Incidentally, a slightly changed circumstance arises this year in connection with this request for an additional amount for refund of erroneous collections in fiscal service. The provisions of Public Law 493 of the 82d Congress, approved July 10, 1952, provided that interest shall be paid on such refunds from the time of payment to the time that the refund is made.

We are, therefore, naturally anxious to process these refunds, and therefore recommend the approval of this item.

We have used every effort to find some money for covering this matter of more refunds of erroneous collections, but have been unsuccessful. The Collector of Taxes has joined in that effort. We believe that it is a part of good business to make these refunds promptly. They have been ruled by the District of Columbia Tax Court to be proper refunds, and they must be made sooner or later.

I might add also that we must remember that last year when this same question came up, the question was as to whether or not the amount pending before the committee of \$70,000 was sufficient, and the Collector of Taxes called attention of the committee to the fact that at that time there was some \$134,000 of refunds pending.

I hasten to explain to the committee that the collector was merely calling that to the attention of the committee, and that, of course, the estimate could not be increased.

The alternative to increasing the estimate was—there was only one alternative, and that was the only thing they could do—to let that go over to the next year, inasmuch as the appropriation provides that it shall be available for refunds made within the past 3 fiscal years. So insofar as the appropriation provision is concerned, we could defer this; but if we do so, we will have to pay the interest, and there will be a hump created there of refunds to be made at the beginning of the next fiscal year.

We will still have the same approximate amount in the fiscal 1954, and we would then have that interest.

Mr. FOWLER. I think that interest is 4 percent.

Mr. WILDING. We would have that interest of 4 percent.

REORGANIZATION EXPENSES

Mr. WILSON. Mr. Wilding, how much of the original appropriation of \$1,992,000 has been transferred to reorganization expense?

Mr. WILDING. All; \$1,992,000. That is, to the General Administration, to the Department of General Administration. The fiscal service in its entirety, consisting of the Office of the Assessor, what was the Auditor, and the Collector of Taxes, were transferred to the Department of General Administration, and what was then left of the amount, the \$1,992,000, the unexpended balance on September 2, was transferred to the Department of General Administration.

Under the provisions of Reorganization Plan No. 5, the Commissioners are authorized, and the Comptroller General has indicated his approval of that authority, to transfer unexpended balances where functions are transferred, and they have transferred these functions—the function of the fiscal service, that is—to the Department of General Administration; whereas, the amount appropriated for the purpose for the present fiscal year is now in an appropriation account on the books as Department of General Administration.

Under that plan this supplemental appropriation, which is now submitted for an additional amount for fiscal service (inasmuch as there was no appropriation in the District of Columbia appropriation for 1953 for the Department of General Administration) will, if, as, and when appropriated, be transferred, under that same authority, to the Department of General Administration for this purpose of making these refunds.

UNOBLIGATED BALANCES

Mr. WILSON. Can you give the committee the unobligated balances by activity at the present time?

Mr. WILDING. By activities the unobligated balances as of February 28 for the 3 activities included in the fiscal service, and which are now contained in the Department of General Administration, are in toto as indicated in my citing the figure of \$553,766.11.

I can give you the breakdown of those as between the three departments. However, I surmise that your question is directed at the total amount in the Department of General Administration. I did not bring with me that total figure, but it is easily obtained because it is on the sheet from which I copied these figures.

That is the figure from the accounting office which was placed in the auditor's care.

Mr. WILSON. Will you supply that to the committee to be inserted in the record at this point?

Mr. WILDING. Very good, sir.

(The information requested is as follows:)

Unobligated balances of appropriation "Fiscal services" as of Feb. 28, 1953

Assessor-----	\$322, 585. 27
Auditor-----	134, 284. 56
Collector :	
Operating expense-----	93, 883. 63
Refunds-----	3, 012. 65
Total-----	553, 766. 11

REVIEW OF APPROPRIATION BALANCES

Mr. WILSON. How closely have you examined this appropriation for fiscal service, and what do you anticipate the balance to be if we give you this hundred thousand dollars at the end of the fiscal year?

Mr. WILSON. We have examined it in our office very closely. We have examined it in company with the collector of taxes with regard to possibilities of using other moneys that were appropriated for other than refunds and which would be entirely within the authority of the Commissioners to use. The amount which will be unexpended at the end of the year if this appropriation were made was undeterminable precisely, but we believe these refunds will be made in their entirety if the appropriation is made, and that the unexpended balance of this appropriation will be to the best of our knowledge and belief and ability to ascertain at this time relatively small and somewhat below the amount which ordinarily would be left as an unexpended balance.

It is impossible, of course, to come out right to the cent. I have cited some figures to the cent, but that is because that is the figure to the cent at this time. The amount of the balance could not be so engineered that it would come out on the cent, nor can it come out on even the dollar, or even a thousand dollars, and sometimes as much as \$25,000.

In an appropriation of \$2 million we expect and frequently have an unexpended balance of as much as one-half of 1 percent. That would be in the neighborhood of \$9,500 in an appropriation of this size.

We don't anticipate any such balance this year for the simple reason that these departments have had transfers made from them for the purpose of this reorganization, and in addition this was a transfer in toto of this fiscal service appropriation.

Other departments have had assessments made against them for the purpose of carrying on the activities of the Department of General Administration. That is in accordance with the direction of the committee as indicated in its report on the supplemental appropriation bill for 1953, in which it was stated that they felt that the cost of the reorganization should be absorbed within the appropriations already made for the District of Columbia without the necessity of—and they really had me on this one—considering further imponderables.

We used every effort and we have carried out the reorganization plan that when you transfer functions, you transfer unexpended balances. The transfers have been made.

I believe that the supplemental appropriation here would be used up, and there would not be a significant balance left over. However, every effort would be made to have such a balance. At least I would make every effort.

All the administrative officers don't think like I do. Most of them want to spend the money; I want to see it saved. While the newspapers all say it goes back into the Treasury, they neglect to tell you that it goes back into the Treasury to the credit of the District of Columbia.

We are not in such a splendid position.

FLEXIBILITY OF APPROPRIATION ITEM

Mr. WILSON. Mr. Wilding, is it true that there is a degree of flexibility in funds appropriated for fiscal services which could be transferred to or from this refund tax service?

Mr. WILDING. Yes, sir; there is a complete flexibility, inasmuch as the committee, in its wisdom, has made these appropriations for all expenses of the fiscal service and has not restricted it in the language of the appropriation to so much for refunds, so much for personal services.

They did that in the fiscal year 1945, the committee did that, with the assurance by the Commissioners that the budget office would exercise such budgetary control of the expenditure of these funds that the committee's end would be subserved just as well by giving it in the lump sum.

That includes, among other things, \$150,000 for refunds. However, we do not mean to say to you now, sir, that we have other money that we could use for this purpose but don't want to transfer it. No, sir; we have used every effort to see if there were not other moneys available.

Mr. WILSON. This entire amount is entirely beyond your control; is that correct? The entire amount of tax refunds is beyond the control of the budget committee for the District of Columbia; is that correct?

Mr. WILDING. The applications for refunds are completely beyond the control of the Commissioners.

Mr. WILSON. That hardly answers my question.

Mr. WILDING. I did not quite get the question.

Mr. WILSON. The amount of money to be refunded is completely beyond the control of the budget committee for the District of Columbia; is that correct?

Mr. WILDING. Yes, if I understand you, sir.

Mr. WILSON. Off the record.

(Discussion off the record.)

TYPES OF REFUNDS

Mr. VURSELL. The only question I would have is how wide a range does this refund cover? What does it principally cover?

Mr. WILDING. Principally erroneously taxed individuals, income taxes in many cases. There is a very close question in some cases whether or not certain individuals in the District of Columbia have to pay income taxes; and when the question is resolved that they shall, that they must pay, there is some question as to the exact amount, and where they show that they have made an erroneous payment——

Mr. VURSELL. It follows along the pattern of the Federal Government in refunding millions and millions of overpayment in taxes, does it not?

Mr. WILDING. Yes, sir.

Mr. VURSELL. And you are compelled to pay these by action of the Tax Court, or do they all come through the Tax Court?

Mr. WILDING. They all come through the Tax Court, or are ruled on by the Corporation Counsel or the Assessor as being an erroneous collection.

Just some clerk does not say, "This is a nice chap, and let us refund him some money." No, sir; there is no such flexibility available. Where there is doubt, we require the action of the Tax Court, but there are certain other refunds that are *prima facie* justifiable.

Mr. NORRELL. If this bill passes that is in Congress now, regarding household goods taxes in the future, that would reduce the tax refund to some extent here, would it not?

Mr. WILDING. It might conceivably eliminate some, but I think, Mr. Norrell, there are very few refunds on taxes on household furnishings. I do not recall now. I was in the Auditor's office for 20 years, and I used to see these situations.

Mr. WILSON. That is just household taxes in the beginning; is it not?

Mr. WILDING. That is right, sir.

Mr. NORRELL. There is one question I want to ask you about the damage claims here. I know we have not reached that yet.

Is it all right to ask any questions, Mr. Chairman, or just as far as you have gone?

Mr. WILSON. Mr. Norrell, you are certainly free to ask any question you wish to, but we will go through here item by item.

Mr. NORRELL. Then I have no questions about this item.

COSTS OF REORGANIZATION

Mr. FERNANDEZ. How does the cost of operation under the reorganization plan compare with the cost of operations before? Are you saving any money, or is it costing more money, or is it costing just the same?

Mr. WILDING. That is a matter that will be demonstrated, I dare say, later on. As it is now, insofar as the appropriation and the expenditures from the appropriations are concerned, they have been no greater than if there had been no reorganization.

The amount of money expended by the Department of General Administration in this fiscal year will be entirely within the framework of the appropriations for the fiscal year 1953 for purposes or for activities which have been taken over in whole or in part by the Department of General Administration.

I might say, for the information of the gentleman, that we had a request up here last year for an additional amount of \$100,000 for reorganization expenses, and it was that item to which I referred in saying that the Congress had refused to make that appropriation, and had indicated to us that the reorganization expenses be met within the framework of present appropriations.

Effort has been made, and, in fact, we have kept within the amount of the appropriations.

Mr. FERNANDEZ. Of course, you realize that hardly answers my question, but that is all right.

Mr. WILDING. I realize it does not because I cannot say in dollars and cents what it has cost. I want you gentlemen to understand that I would be glad to answer more specifically if I were able to.

Mr. FOWLER. I think the amount of the assessment against the various departments ranges between \$300,000 and \$400,000, on an annual basis.

Mr. WILDING. On the basis of what has been assessed against the various departments for the amount transferred, it would amount, on an annual basis, to slightly over \$400,000 a year.

Mr. WILSON. \$400,000 more?

Mr. WILDING. \$400,000 more, yes, sir; not more than the appropriations because it was from appropriations already made.

COMPENSATION AND RETIREMENT FUND EXPENSES

DISTRICT GOVERNMENT EMPLOYEES' COMPENSATION

Mr. WILSON. The next item is \$41,500 for "Compensation and retirement-fund expenses for District government employees' compensation."

Without objection, pages 11, 12, 13, and 14 of the justifications will be inserted in the record at this point.

(The matter referred to is as follows:)

EMPLOYEES' COMPENSATION FUND, DISTRICT OF COLUMBIA

Amounts available for obligation

	Presently available	Revised estimate	Difference
Appropriation or estimate.....	\$167,000	\$208,500	+\$41,500
Prior-year balance available.....	20,180	20,180	-----
Obligations incurred.....	187,180	228,680	+41,500

Obligations by activities

Description	Presently available	Revised estimates	Difference
1. Compensation to injured employees.....	\$103,500	\$128,500	\$25,000
2. Medical expenses.....	40,180	52,180	12,000
3. Payment to widows.....	23,250	23,250	-----
4. Schedule awards.....	20,250	24,750	4,500
Total.....	187,180	228,680	41,500

Obligations by objects

12. Pensions, annuities, and insurance claims:	
Presently available.....	\$187,180
Revised estimate.....	228,680
Difference.....	41,500

JUSTIFICATION

Request for additional funds is made because of an increase in compensation granted to employees who have suffered injuries or contracted diseases during the course of their employment. There are now 15 tuberculosis claims pending decision of the Bureau of Employees' Compensation, which when approved will be paid retroactive compensation from date pay loss began. To meet these retroactive payments it is estimated that an additional \$25,000 will be required. There has been an increase in hospital rates under the contract made by the United States Public Health Service with Providence Hospital, from \$17.50 per diem to \$19.50 per diem. The 1953 estimates made provision for only \$175 for nurses' expenses whereas in one particular case which occurred in October 1951, the amount required for the period July 1, 1952, through December 31, 1952, was

\$6,881. It is estimated that an additional \$12,000 is needed to continue payment for nursing care in this case. Schedule award payments have been unusually high for the first 6 months of this fiscal year, amounting to \$16,940. It is estimated that an additional \$4,500 will be required for the payment of schedule awards.

Mr. WILSON. First, I have a question off the record.

(Discussion off the record.)

Mr. WILDING. The expenses under this appropriation are paid as a result of adjudications made by the Bureau of Employees' Compensation, Department of Labor, and are not within the control of the Commissioners in any way whatsoever.

They are for the payment of expenses in connection with the treatment of employees of the District of Columbia who were injured or contracted disease in the performance of their duties.

Mr. WILSON. Very well, if there are no questions we will take up the next item.

REGULATORY AGENCIES

SALARIES AND EXPENSES, OFFICE OF ADMINISTRATOR OF RENT CONTROL

WITNESSES

ROBERT COGSWELL, ADMINISTRATOR OF RENT CONTROL

WALTER FOWLER, BUDGET OFFICER

Mr. WILSON. I note that under "Regulatory agencies," you are asking for a \$17,000 supplemental appropriation for the rent control activity.

Mr. FOWLER. Yes, Mr. Chairman.

Mr. WILSON. Without objection pages 16, 17, 18, and 22 of the justifications will be inserted in the record at this point.

(The matter referred to follows:)

Amounts available for obligation

Appropriation or estimate (obligations incurred) :

Presently available	\$125, 000
Revised estimate	142, 000
Difference	+17, 000

Obligations by activities

Administration of rent control:

Presently available	\$125, 000
Revised estimate	142, 000
Difference	+17, 000

Obligations by objects

Object classification	Presently available	Revised estimate	Difference
Total number of permanent positions.....	32	32	-----
Average number of all employees.....	20	24	+4
01 Personal services:			
Permanent positions.....	\$91,324	\$108,324	+\$17,000
Regular pay in excess of 52-week base.....	561	561	-----
Terminal leave.....	27,000	27,000	-----
Total personal services.....	118,885	135,885	+17,000
04 Communication services.....	2,835	2,835	-----
06 Printing and reproduction.....	1,585	1,585	-----
07 Other contractual services.....	650	650	-----
08 Supplies and materials.....	795	795	-----
09 Equipment.....	250	250	-----
Obligations incurred.....	125,000	142,000	+17,000

In the spring of 1952 Congress had under consideration bills to extend the District of Columbia Emergency Rent Act as well as the Federal rent law. Several different termination dates were mentioned, i. e., February 28, 1953; March 31, 1953; and April 30, 1953. The April 30 date was finally agreed on. The Federal act was passed first and the District Rent Act with the April 30 date was passed later. In the meantime, the Appropriations Committees had been considering an appropriation for this office with a termination date as of February 28, 1953. Our request for a budget was based on a 12-month period. However, the budget for the office was cut to 8 months. Finally, the matter laid dormant until the Rent Act was extended. This bill was not forwarded to the President for signature until a day or so before the date of its termination and the President approved Public Law 430 on June 30, 1952, extending the Rent Act to April 30, 1953. The act authorizing appropriations for this office was signed about the middle of July but for some reason the appropriation made to operate this office for 8 months was never increased to include the 2 necessary additional months, March and April. Therefore, when the appropriation was finally approved it was approximately \$30,000 short of the amount needed for the 10-month period in question. By not filling vacancies it has been possible to absorb \$13,000 of the \$30,000 leaving a deficiency of \$17,000. The entire amount is needed to pay personal services for the 3 full pay periods and 4 days, starting March 15 and ending April 30, 1953.

Mr. FOWLER. We have with us Mr. Robert Cogswell, who is Administrator of Rent Control, and he will justify that item of rent control.

Mr. COGSWELL. Mr. Chairman, and members of the committee, I know you are pressed for time, and maybe I can explain it in just a few words.

Last year Congress extended the Rent Act for the District of Columbia for a period of 16 months. At the time the Appropriations Committee was considering the matter, it looked like it would not be extended for more than 8 months.

The result of it was that in the last analysis the District of Columbia Emergency Rent Act was extended to the same date of the termination of the Federal act. That resulted in it being extended 2 months beyond the date which the Appropriations Committee considered at the time I was before them, and that amount of \$17,000 is the necessary amount to run it for the 2 months from March 1 to April 30.

We are now, as a matter of fact, out of funds, so far as practical services are concerned.

TERMINAL LEAVE ESTIMATE

Mr. WILSON. Mr. Cogswell, what are the present requirements for terminal leave?

Mr. COGSWELL. Approximately \$26,900.

Mr. WILSON. I beg your pardon?

Mr. COGSWELL. Approximately \$26,900. Last year, I think, in the former appropriation we asked for \$35,000, but by reason of resignations and transfers that has been reduced to approximately \$27,000 now.

I have a statement here, Mr. Chairman, which if you care to have it, I might leave, which was made up by my assistant showing the condition as of the present time. If perchance the Congress should extend our act, as the Commissioners requested the other day, to June 30, it shows what additional funds would be required, if you would like to have that.

Mr. WILSON. Without objection, we will have that statement inserted in the record at that point.

(The matter referred to follows:)

MARCH 24, 1953.

Memorandum.

To: Mr. Robert F. Cogswell, Administrator.

From: J. Ruth Hallmuth, Administrative Assistant.

Subject: Appropriations to run this office through June 30, 1953.

At your request, in view of the fact that the Rent Act may be extended beyond its present expiration date of April 30, 1953, the Commissioners having recommended extension to June 30, 1953, I am submitting herewith a detailed explanation of the appropriations of this office at the present time and its needs through June 30, 1953. As of March 14, 1953, there is a balance of approximately \$30,286; \$568 of this amount remains in the personal services account for payment of salaries, \$26,929 is for payment of terminal leave only, and \$2,789 is for other obligations.

After estimating requirements from now until June 30, 1953, I have reached the following conclusions: Since we have funds in the printing and supplies accounts which we may transfer to communications and other obligations it is not necessary to request additional funds for other obligations. The \$2,789 on hand will see us through June 30, 1953. In regard to salary funds there is a balance of \$568 and a request for \$17,000 before the Congress at present to pay salaries through April 30, 1953. If the Rent Act is extended to June 30, 1953, an additional \$21,620 will be needed to pay salaries from April 30 to June 30, 1953.

On the attached sheet I have enumerated the figures above referred to in tabular form.

*Current and estimated appropriations versus obligations Mar. 14, 1953, through
June 30, 1953*

	Other obligations	Salaries	Terminal leave
In original appropriation act.....	\$6, 115	\$91, 885	\$27, 000
Obligated through Mar. 14, 1953.....	-3, 326	-91, 317	-71
Balance for obligations, Mar. 14.....	2, 789	568	26, 929
Requested supplemental appropriation.....		+17, 000	
Total available for obligations.....	2, 789	17, 568	26, 929
Estimated obligation through Apr. 30, 1953.....	-600	-17, 100	* -26, 929
Balance Apr. 30, 1953.....	2, 189	468	

¹ If the Rent Act is allowed to expire Apr. 30, 1953, the balances shown above are correct. If the Rent Act is extended to June 30, 1953, as recommended by the Commissioners the computation below would be correct.

	Other obligations	Salaries	Terminal leave
Balance Apr. 30, 1953.....	\$2, 189	\$468	*\$26, 929
Supplemental appropriation needed through June 30, 1953.....		+21, 152	
Total available for obligations.....	2, 189	21, 620	26, 929
Estimated obligations through June 30, 1953.....	-1, 200	-21, 620	26, 929
Balance June 30, 1953.....	989		

*If the Rent Act dies Apr. 30, 1953, the \$26,929 would be used to pay terminal leave on or before that date. If it is extended to June 30, 1953, as recommended by the Commissioners, some of the terminal leave funds may have to be paid out before Apr. 30, and all by June 30, 1953.

EMPLOYMENT

Mr. WILSON. How many employees have already been separated or transferred to other Government agencies?

Mr. COGSWELL. We have two that may leave within a week. One has gone in private employment, and the rest of them are still with me at the office there.

Mr. WILSON. How many people do you have employed presently?

Mr. COGSWELL. At the present time, at this moment, we have 27.

Mr. WILSON. How many did you have a year ago when this bill was under consideration?

Mr. COGSWELL. If I am not mistaken, Mr. Chairman, I think we had the same number. I know we have not filled any vacancies in order to keep the office running. Last year, I think, when the appropriation was being considered, we had 3 or 4 or 5 vacancies and none of them has been filled.

EFFECT OF DENIAL OF REQUEST

Mr. WILSON. What would be the effect on your operation if this \$17,000 were not granted?

Mr. COGSWELL. We would have to close up. As a matter of fact, Mr. Chairman, I do not know—of course, we have operated a lot differently—but I believe if we were in the Federal Government—and I say this subject to correction—I would already have notified all the employees in my office that they would be separated from the service within 30 days because we have at the present time—I think my assist-

ant figured up—so far as personal services are concerned, \$568. The other obligations, we are all right on.

Mr. WILSON. Are you required to give these employees 30 days' notice under the civil service law?

Mr. COGSWELL. So far as I know, Mr. Wilson, I am not certain of this, but a great many of the employees in our office do not have status. I think there are a few—incidentally, someone raised that question with me yesterday, and I was going to take it up with the Commissioners to see if there is anything in the law which compels me to give such a notification to them.

Mr. WILSON. According to this green sheet, which the clerk has passed along to me, all of your employees are on the general schedule.

Mr. COGSWELL. I think that is the way they are carried on the payroll, but I know a great number of them up there—let us say a number instead—do not have civil-service status, and I discovered that the other day when we went to transfer an employee, and they refused to take her because she did not have civil-service status.

All our employees are under the general schedule, such as the police department and teachers, but all of our employees are not classified. I mean by that, are not under the civil service. We have some that are merely under the agreement with civil service.

Mr. WILSON. Congressman Vursell?

Mr. VURSELL. No questions at this time, Mr. Chairman.

Mr. WILSON. Congressman Norrell?

Mr. NORRELL. When the committee cut this request last year, you say in your justification, to 8 months, did it actually reduce your appropriation? Is that an interpretation that you have made or is it in the report or the law?

Mr. COGSWELL. If I understand you correctly, Congressman, it cut the appropriation; that is to say, if we asked for 12 months, and 8 months would have been \$80,000, they did not give us \$80,000.

Mr. NORRELL. Did the committee say in their report that they were allowing that for a period of 8 months, or that they were simply allowing it as the amount that you had for that fiscal year?

Mr. COGSWELL. As I read it, they simply allowed us \$125,000; and if my memory serves me, I tried to figure out just where that cut came in in one thing or another, but it was just a sum.

Mr. NORRELL. You made your request for the fiscal year, did you not?

Mr. COGSWELL. Yes; when we put it in, you see, our bill was filed.

Mr. NORRELL. How much was that?

Mr. COGSWELL. The 1952 appropriation was \$180,000 some.

Mr. NORRELL. I just thought you had it there with you.

Mr. COGSWELL. I think it was \$180,000-some; \$188,750.

Mr. NORRELL. You had \$188,750 for the fiscal year?

Mr. COGSWELL. Oh, that was what we requested, and we got \$125,000.

Mr. NORRELL. When you got that amount, did you try to get along on that for the whole year at a time, or did you just assume that the rest would come to you if the rent-control law was extended?

Mr. COGSWELL. We could not assume that, Congressman. As I say, we were operating with a cut force at this time; and, as vacancies have occurred, we have not filled any of them. Otherwise, we would be requesting more than this \$17,000.

Mr. NORRELL. Is this, then, a request for more money than you need, or is it a request for something that was cut out by the last Congress?

Mr. COGSWELL. If I may make myself plain, Congressman: If the \$17,000 is not allowed, then we will have to close up shop, if I might use that expression—the day that we learn it is not allowed we close up.

OBLIGATIONS

Mr. NORRELL. Let me ask you this question: How much do you use each month? How much does your budget allow you to use per month? Do you have that figured out on a monthly basis?

Mr. COGSWELL. We have it on a quarterly basis.

Mr. NORRELL. Then on a quarterly basis. What is it then?

Mr. COGSWELL. In the first quarter of 1953 it was \$33,000, to be exact \$33,134.

Mr. NORRELL. Per month that would be what?

Mr. COGSWELL. Divided by 3, that would be about \$10,000; maybe \$11,000. The second quarter we figure \$31,553, and the third quarter was \$60,313. That third quarter, of course, includes terminal leave, because that dates the windup of the agency.

Mr. NORRELL. But you have not spent that, have you?

Mr. COGSWELL. No; that is specifically earmarked for terminal leave only.

Mr. NORRELL. The total of this—\$33,134, \$31,553, and \$33,313—would be \$98,000. \$27,000 in addition to that equaled \$125,000, is that right?

Mr. COGSWELL. That is right.

Mr. NORRELL. Why was the last quarter higher than the other two?

Mr. COGSWELL. I cannot tell you that exactly, Mr. Congressman, unless it was that there might be an additional pay period in there. I think, though, it is about the same, if I can check it back quickly. It is about the same as the first quarter.

Mr. NORRELL. It does not represent any increase in personnel; does it?

Mr. COGSWELL. No; as I say, we are dropping personnel constantly.

Mr. NORRELL. That is all the questions I have, Mr. Chairman.

Mr. COGSWELL. In fact, may I say something off the record?

(Discussion off the record.)

ANALYSIS OF AVAILABLE APPROPRIATION

Mr. WILSON. I do not seem to be able to interpret your figures, Mr. Cogswell. We gave you \$125,000 in last year's appropriation; \$27,000 of which was earmarked for terminal leave, leaving you \$98,000.

If you spent \$33,000 the first quarter and \$31,550 the second quarter, it appears that you would have \$33,000 left for the third quarter, which should carry you through March 31; on which basis you would need only about \$11,000 to carry you to the end of rent control in the District as presently authorized.

Mr. COGSWELL. I just handed in the statement. I have had my assistant here figure it out. To April 30 "Other obligations" is \$2,189 and "Salaries," \$468; and, of the \$2,189, that which is in there—that is, "Other obligations"—we have gone over it.

As I say, I can't hold myself out as an accountant, because I am not, but I think we have gone over it and we have submitted it to the Budget Office, and I think it met with their approval, and certainly I am not asking for anything in order to employ any additional clerks.

Mr. NORRELL. Did you refigure it yourself when it was submitted to you?

Mr. COGSWELL. Oh, I have it here and I went over it with the person who drew it before I came down here.

Mr. NORRELL. Sometimes these things are approved as a matter of routine.

Mr. COGSWELL. No, sir; I do not do that. As I say, I am not an accountant; and, when it comes to verifying figures, I cannot always explain them in the detail that others could, but it has been very carefully considered.

I might say that I have never asked for more than I felt was actually necessary to run that Office. This statement to me reads this way. [Reading:]

At your request, in view of the fact that the Rent Act may be extended beyond its present expiration date of April 30, 1953, the Commissioners having recommended extension to June 30, 1953, I am submitting herewith a detailed explanation of the appropriations of this Office at the present time and its needs through June 30, 1953. As of March 13, 1953, there is a balance of approximately \$30,286; \$568 of this amount remains in the "Personal services" account for payment of salaries; \$26,929 is for payment of terminal leave only, and \$2,789 is for "Other obligations."

After estimating requirements from now until June 30, 1953, I have reached the following conclusions: Since we have funds in the "Printing and supplies" accounts which we may transfer to "Communications" and "Other obligations," it is not necessary to request additional funds for "Other obligations." The \$2,789 on hand will see us through June 30, 1953. In regard to salary funds, there is a balance of \$568 and a request for \$17,000 before the Congress at present to pay salaries through April 30, 1953. If the Rent Act is extended to June 30, 1953, an additional \$21,620 will be needed to pay salaries from April 30 to June 30, 1953.

On the attached sheet I have enumerated the figures above referred to in tabular form.

Mr. WILSON. If this supplemental is allowed and the rent-control law is extended for the rest of the fiscal year, will you have to come before us for additional appropriations to carry out the last 2 months?

Mr. COGSWELL. Yes, sir; because what you are allowing now, Mr. Chairman, will operate us only until April 30, with the exception of these "Other obligations," "Communications," and things of that kind.

That will probably be some unexpended balance of maybe a thousand dollars or something like that. What I am asking now is simply funds to run it until April 30.

Mr. WILSON. Are there any further questions?

PUBLIC SCHOOLS, OPERATING EXPENSES

GENERAL ADMINISTRATION, SUPERVISION, AND INSTRUCTION

WITNESSES

HOBART M. CORNING, SUPERINTENDENT OF SCHOOLS

CHARLES ZELLERS, ASSISTANT SUPERINTENDENT OF SCHOOLS

WALTER FOWLER, BUDGET OFFICER, DISTRICT OF COLUMBIA

Mr. WILSON. The next request is \$80,000 for "Public schools, operating expense." Without objection pages 24, 25, 26, 27, 28, 29, and 32 of the justifications will be inserted in the record at this point.

(The matter referred to follows:)

Amounts available for obligation

	Presently available	Revised estimate	Difference
Appropriation or estimate.....	\$19, 201, 600	\$19, 281, 600	+\$80, 000
Reimbursements from other accounts.....	33, 220	33, 220	-----
Obligations incurred.....	19, 234, 820	19, 314, 820	+80, 000

Obligations by activities

Description	Presently available	Revised estimate	Difference
<i>Direct Obligations</i>			
1. General administration.....	\$794, 567	\$794, 567	
2. Supervision and instruction.....	18, 070, 033	18, 150, 033	+\$80, 000
3. Auxiliary educational services.....	153, 000	153, 000	-----
4. Penny milk and surplus commodities.....	184, 000	184, 000	-----
Total direct obligations.....	19, 201, 600	19, 281, 600	+80, 000
<i>Obligations Payable Out of Reimbursements From Other Accounts</i>			
2. Supervision and instruction.....	33, 220	33, 220	-----
Obligations incurred.....	19, 234, 820	19, 314, 820	+80, 000

Obligations by objects

Object classification	Presently available	Revised estimate	Difference
GENERAL ADMINISTRATION			
Total number of permanent positions.....	176	176	-----
Full time equivalent of all other positions.....	3	3	-----
Average number of all employees.....	178	178	-----
01 Personal services:			
Permanent positions.....	\$741, 150	\$741, 150	-----
Part-time and temporary positions.....	7, 784	7, 784	-----
Regular pay in excess of 52-week base.....	1, 924	1, 924	-----
Total personal services.....	750, 858	750, 858	-----
02 Travel.....	6, 945	6, 945	-----
04 Communication services.....	3, 500	3, 500	-----
05 Rents and utility services.....	8, 200	8, 200	-----
06 Printing and reproduction.....	17, 000	17, 000	-----
07 Other contractual services:			
Services performed by other agencies.....	490	490	-----
08 Supplies and materials.....	7, 574	7, 574	-----
Total obligations, general administration.....	794, 567	794, 567	-----
SUPERVISION AND INSTRUCTION			
<i>Summary of Personal Services</i>			
Total number of permanent positions.....	3, 836	3, 836	-----
Full-time equivalent of all other positions.....	156	176	+20
Average number of all employees.....	3, 926	3, 946	+20
Personal service obligations:			
Permanent positions.....	\$16, 747, 901	\$16, 747, 901	-----
Part-time and temporary positions.....	622, 553	702, 553	+\$80, 000
Regular pay in excess of 52-week base.....	2, 375	2, 375	-----
Total personal service obligations.....	17, 372, 829	17, 452, 829	+80, 000
<i>Direct Obligations</i>			
01 Personal services.....	17, 341, 974	17, 421, 974	+80, 000
04 Communication services.....	5, 800	5, 800	-----
06 Printing and reproduction.....	10, 000	10, 000	-----
07 Other contractual services.....	22, 440	22, 440	-----
08 Supplies and materials.....	689, 819	689, 819	-----
Total direct obligations, supervision and instruction.....	18, 070, 033	18, 150, 033	+30, 000
<i>Obligations Payable Out of Reimbursements From Other Accounts</i>			
01 Personal services.....	30, 855	30, 855	-----
02 Travel.....	250	250	-----
04 Communication services.....	40	40	-----
07 Other contractual services.....	75	75	-----
08 Supplies and materials.....	1, 700	1, 700	-----
09 Equipment.....	300	300	-----
Total obligations payable out of reimbursements from other accounts.....	33, 220	33, 220	-----
AUXILIARY EDUCATIONAL SERVICES			
02 Travel.....	37, 800	37, 800	-----
07 Other contractual services.....	111, 200	111, 200	-----
11 Grants, subsidies, and contributions.....	4, 000	4, 000	-----
Total obligations, auxiliary educational services.....	153, 000	153, 000	-----
PENNY MILK AND SURPLUS COMMODITIES			
Total number of permanent positions.....	5	5	-----
Average number of all employees.....	5	5	-----
01 Personal services:			
Permanent positions.....	\$15, 754	\$15, 754	-----
Regular pay in excess of 52-week base.....	62	62	-----
Total personal services.....	15, 816	15, 816	-----
02 Travel.....	100	100	-----
03 Transportation of things.....	4, 600	4, 600	-----
04 Communication services.....	150	150	-----
08 Supplies and materials.....	163, 334	163, 334	-----
Total obligations, penny milk and surplus commodities.....	184, 000	184, 000	-----
Obligations incurred.....	19, 234, 820	19, 314, 820	+80, 000

JUSTIFICATION OF ESTIMATE

Personal services, \$80,000.—This amount is needed to supplement the funds provided for substitute teaching service during the 1953 fiscal year. Public Law 353, 81st Congress, approved October 13, 1945, entitled, "The Teachers' Leave Act of 1949," authorized the board of education to employ substitute teachers to serve in the absence of regular teachers.

The District of Columbia Appropriation Act of 1953 includes \$150,000 for this purpose. It is estimated that approximately \$230,000 will be required. The amount of \$150,000 for this purpose was also included in the 1951 and 1952 appropriation acts, and each year the cost of this service was considerably in excess of that amount, amounting in the 1952 fiscal year to \$222,000. In past years it has been possible to use savings from personnel turnover to meet this additional cost, but in the current fiscal year these savings have had to be applied to automatic, within-grade promotions required by law.

Mr. WILSON. The committee would be glad to hear any further comment you have in the way of justifying this request.

Mr. FOWLER. Mr. Chairman, the amount of \$80,000 is for "General administration, supervision, and instruction," and Dr. Corning is the superintendent of the public schools, and he, with his assistant, Mr. Zellers, will justify that item.

Dr. CORNING. Mr. Chairman and members of the committee, I appreciate this opportunity to explain the situation to you.

The Teachers' Sick Leave Act, which was passed in 1949, carried with it the obligation that out of appropriated funds we are to pay for the substitute service, to supply substitute teachers for the teachers absent due to illness.

There never has been enough appropriated in any one year to cover the cost of that service. Each year the amount requested, based upon the previous year's experience of absence, has been reduced; but we have not been embarrassed about it until this year, because when we ran out of money for substitute service, we were able to go to the budget office and through them to the Commissioners with the request that funds from savings be transferred for this purpose.

Each year that has happened so that we have had money enough to operate the schools and to provide the substitutes by reason of the fact that we have been able to transfer money from savings.

Perhaps I should explain that savings develop through holding positions vacant, or through the differential in salary of a new appointee who takes the place of an experienced teacher, and the salary of that experienced teacher.

Last year we requested \$230,000 for a substitute service for the current school year. No increase above our base of \$150,000 was allowed, but at that time we were not concerned when the Commissioners found it necessary not to allow the increase because we had assumed, of course, that we would be able to transfer from savings into that fund, and therefore make it adequate to supply the substitute service for the schools.

But the Commissioners did not know at that time, nor did we, of course, that in the current budget, those savings were to be mortgaged,

if I may put it that way, by the requirement that practically all of the cost of step increases required by law, must be made out of savings.

The only point of flexibility in our budget at all is this savings account that I have been referring to and they had to be used for that purpose. The amount thereafter for the step increases and increases in pay required by law exceeded the amount which in any former year we had been able to accumulate by way of savings, so that it is essential for us to enforce greater savings this year through the freezing of some 26 positions, I think it is, for the remainder of this school year in order to meet the obligation.

But it leaves us no reserve by way of savings which we can request transfer of into this substitute fund. The \$150,000 in our appropriation was expended as of March 17. There is no particular significance in the day, I believe, other than the fact that the money ran out on that particular day.

We are in a very embarrassing situation at the present time. The \$80,000 requested would make it possible for us to pay the substitute service for the remainder of the year based on our best estimates.

Last year actually we expended something over \$222,000. This \$80,000 would bring the appropriation to \$230,000, which is somewhat marginal, especially when one considers that the sick-leave provisions themselves were liberalized last year to include 3 days general leave for teachers, which does give us more absence than we had previously.

That was done by act of Congress. The fact that we had a very serious epidemic of flu this spring increased the number of absences. You cannot ever estimate right to the dollar just how much substitute service is going to cost because you cannot estimate how much sickness there is going to be, and how much absence under the law; so we find ourselves in the very tight situation of not having money to pay substitutes, and yet we are having to proceed to obligate ourselves.

It is an extremely serious situation, and one which I think no one could have anticipated up to the point that the Congress did mortgage these savings last year, which is the first year that has happened.

Therefore, I most earnestly request your favorable consideration of this amount and that action be taken on that request at the earliest possible moment because of the emergency of the situation.

PERSONNEL TURNOVER

Mr. WILSON. Dr. Corning, what has been the rate of personnel turnover in each of the fiscal years 1951, 1952, and 1953?

Dr. CORNING. I cannot give you that, sir, offhand. I would be very glad to supply it. We do not have it here, but we do have it.

Mr. WILSON. Without objection that will be inserted in the record at this point.

(The matter referred to follows:)

Public schools of the District of Columbia—Teacher turnover

Reason for turnover	1947-48	1948-49	1949-50	1950-51	1951-52
Entering the service:					
Probationary appointments.....	143	166	167	249	143
Reinstatements.....	88	80	71	82	102
Total entering the service.....	231	246	238	331	245
Percent entering.....	6.93	7.33	7.02	9.67	7.11
Leaving the service:					
Leave of absence (not including extensions):					
Educational purposes.....	10	2	5	10	16
Educational purposes with part pay.....	12	14	11	13	5
Personal illness.....	14	22	23	34	27
Maternity.....	48	51	56	64	72
Military service (national defense).....		7	1	15	10
Suspension of rules of Board of Education.....					1
Educational program for military personnel.....					2
Miscellaneous.....	2				
Total leaves of absence.....	86	96	96	136	133
Resignation:					
Permanent employees.....	67	46	33	47	67
Temporary employees.....	82	66	71	70	64
Retirement.....	77	81	49	62	45
Death:					
Permanent employees.....	5	4	3	7	3
Temporary employees.....				4	
Suspension.....	1				1
Dismissal.....		1			
Total.....	232	198	156	190	180
Total leaving the service.....	318	294	252	326	313
Total temporary appointees leaving the service.....	82	66	71	74	64
Total permanent employees leaving the service.....	236	228	181	252	249
Percent of permanent employees leaving the service.....	7.08	7.00	5.34	7.36	7.23
Net difference (percent).....	-1.15	.33	1.68	2.31	-1.12

NOTE.—Does not include teachers in charge, librarians, and annual substitutes.

SAVINGS RESULTING FROM TURNOVER

Mr. WILSON. I wonder could you also provide us with the amount of savings that have been incurred each year as a result of this personnel turnover.

Dr. CORNING. Very readily. We will do that, sir.

Mr. WILSON. Can you give us any idea as to how much of that savings has incurred as a result of hiring less experienced and perhaps teachers with less training resulting in lower salaries, and how much of that savings has been incurred by leaving the job vacant for a period of time.

Mr. ZELLERS. I can get that. I do not have it with me this morning.

Mr. WILSON. Without objection, we will insert that in the record at this point.

(The matter referred to follows:)

GENERAL ADMINISTRATION, SUPERVISION, AND INSTRUCTION, PUBLIC SCHOOLS,
DISTRICT OF COLUMBIA, 1953

Supervision and instruction. Teachers' Salary Act

	1950-51	1951-52	1952-53 (through Feb. 23)
Savings effected by—			
Positions left vacant:			
Officers.....	\$13,604	\$25,126	\$8,846
Teachers.....	90,124	65,694	49,677
Total.....	103,728	90,820	58,523
Positions filled at lower rates of pay (net):			
Officers.....	669	638	1,418
Teachers.....	173,114	151,252	187,285
Total.....	173,783	151,890	188,703
Other costs (net).....	277,511	242,710	247,226
Other savings (net).....	7,066	11,316	38,574
Total.....	270,445	254,026	285,800
Annual requirement based upon salaries of incumbents at July 1, 1952, plus vacancies:			
Officers.....			1,363,521
Teachers.....			15,026,734
Total.....			16,390,255
1953 allotment for personal services:			
Officers.....			1,347,148
Teachers.....			14,759,938
Total.....			16,107,086
Deficit.....			283,169
Estimated balance at June 30, 1953, if no further savings or losses are effected.....			2,631
			285,800

MR. WILSON. Dr. Corning, can you explain to the committee just how the replacement program saves money? In other words, if a teacher resigns, how do you take care of that teaching position in the interim from the time that a teacher resigns until a new teacher is appointed, and also how does that save you money?

DR. CORNING. In many types of teaching positions there are certified lists of people who are already qualified, who are automatically picked to fill the vacancy if it is a position that we can fill.

MR. WILSON. And the salaries are usually lower than for the original teachers, are they not?

DR. CORNING. They are lower because in almost every instance, not every instance, but almost every instance, the person separating from service has been long with us. That is true of retirements, not always true of resignations, of which there are a few, which might come from a group who have been with us but a short time.

TIMING OF SUPPLEMENTAL REQUEST

Mr. WILSON. Dr. Corning, why has a request not been made previously, and why was the account not increased administratively?

Dr. CORNING. We had no way to increase it administratively at all.

The timing of the request, I presume, was made in accordance with the usual custom of supplemental appropriations coming on the Hill, but we had no administrative way whatever of increasing the amount.

Mr. WILSON. The report has come to me from several different sources, or I would say a few different sources, to the effect that you people knew last December that you were going to be short of funds for this purpose, and I am wondering why you did not come up and request this money in one of the earlier supplemental bills.

Dr. CORNING. The actual request went to the Commissioners—

Mr. ZELLERS. That was on December 11.

Mr. WILDING. December 8, I think it was.

Mr. ZELLERS. It was early in December.

Dr. CORNING. I presume that the earlier supplemental did not carry amounts for the District of Columbia.

Mr. WILDING. It did not because we had not sent any estimate to the Bureau of the Budget, but we listed them as urgent supplemental items.

We waited to send all the items to the Bureau of the Budget in one submission. We cannot send them over every day. In fact, they would not accept them.

COSTS FOR SUBSTITUTE TEACHERS

Mr. WILSON. Dr. Corning, will you supply for the record the time and cost of the substitute teachers for each month in the fiscal years 1951, 1952, and 1953?

Mr. ZELLERS. I have all of that here, sir. I will read it to you at this time; that is, the amounts for the current year, if you so desire, by months. Here is the other information.

Mr. WILSON. Without objection, we will insert that in the record at this point.

(The matter referred to follows:)

Statement of expenditures for substitute teaching service

	Division 1		Division 2		Total	
	Number of days	Amount	Number of days	Amount	Number of days	Amount
1950—October.....	729	\$7,290.00	958½	\$9,585.00	1,687½	\$16,875.00
November.....	645½	6,455.00	959½	9,595.00	1,605	16,050.00
December.....	670½	6,705.00	793	7,930.00	1,463½	14,635.00
January.....	860	8,600.00	1,194	11,940.00	2,054	20,540.00
February.....	1,198½	11,985.00	1,794	17,940.00	2,992½	29,925.00
March.....	1,536	15,360.00	1,560	15,600.00	3,096	30,960.00
April.....	534	5,340.00	754½	7,545.00	1,288½	12,885.00
May.....	974	9,740.00	1,677½	16,775.00	2,651½	26,515.00
June.....	417	4,170.00	561½	5,615.00	978½	9,785.00
Total.....	7,564½	75,645.00	10,252½	102,525.00	17,817	178,170.00
1951—August.....	-----	-----	1	10.00	1	10.00
September.....	642½	6,425.00	726	7,260.00	1,368½	13,685.00
October.....	737½	7,375.00	1,293½	12,935.00	2,031	20,310.00
November.....	939	9,390.00	1,166	11,660.00	2,105	21,050.00
December.....	656	6,560.00	820	8,200.00	1,476	14,760.00
January.....	1,222	12,220.00	1,372½	13,725.00	2,594½	25,945.00
February.....	977	9,770.00	1,087½	10,875.00	2,064½	20,645.00
March.....	780	7,800.00	1,106½	11,065.00	1,886½	18,865.00
April.....	1,037	10,370.00	1,303½	13,035.00	2,340½	23,405.00
May.....	939	9,390.00	1,412	14,120.00	2,351	23,510.00
June.....	279	2,790.00	528½	5,285.00	807½	8,075.00
Total.....	8,209	82,090.00	10,817	108,170.00	19,026	190,260.00
1952—September.....	443½	4,878.50	503½	5,538.50	947	10,417.00
October.....	722½	7,947.50	1,281½	14,096.50	2,004	22,044.00
November.....	987	10,857.00	1,251	13,761.00	2,238	24,618.00
December.....	790½	8,695.50	1,022½	11,247.50	1,813	19,943.00
January.....	1,384½	15,229.50	1,548½	17,033.50	2,933	32,263.00
February.....	1,500	16,500.00	1,729½	19,024.50	3,229½	35,524.50
March.....	1,378½	15,163.50	1,600½	17,605.50	2,979	32,769.00
April.....	756½	8,321.50	679	7,469.00	1,435½	15,790.50
May.....	799	8,789.00	1,096½	12,061.50	1,895½	20,850.50
June.....	206	2,266.00	502½	5,527.50	708½	7,793.50
Total.....	8,968	98,648.00	11,215	123,365.00	20,183	222,013.00

Mr. ZELLERS. September, \$7,766; October, \$25,718; November, \$23,122; December, \$22,946; January, \$29,887; February, \$27,497.

OBLIGATIONS AND BALANCES

Mr. WILSON. Dr. Corning, what are the unobligated balances for each activity at the present time? What are your obligations each month for each activity during 1953 to date? Can you furnish that for the record?

Mr. ZELLERS. Obligations by month by activity?

Mr. WILSON. That is correct.

Mr. ZELLERS. Yes, sir.

(The matter referred to follows:)

General administration, supervision and instruction—Statement of obligations, July 1, 1952, through February 28, 1953

Month	Activity 1, general adminis- tration	Activity 2, supervision and instruc- tion	Activity 3, auxiliary education	Activity 4, penny milk and surplus commodi- ties	Total
July.....	\$44,519.66	\$297,955.49	\$87,000.00	\$656.15	\$430,131.30
August.....	86,358.02	513,751.38		1,529.66	601,639.06
September.....	66,364.65	1,776,839.83	25,200.00	1,119.04	1,869,523.52
October.....	62,609.00	1,679,166.76	16,102.86	112,514.58	1,870,393.20
November.....	59,344.84	1,743,574.50		16,571.42	1,819,490.76
December.....	61,063.88	1,742,450.00	—650.00	19,059.85	1,821,923.73
January.....	79,990.23	1,757,265.17	11,461.51	20,028.50	1,868,745.41
February.....	61,328.42	1,702,839.77		2,017.52	1,766,185.71
Total obligations, July 1, 1952, to Feb. 28, 1953.....	521,578.70	11,213,842.90	139,114.37	173,496.72	12,048,032.69
Appropriation.....	794,567.00	18,070,033.00	153,000.00	184,000.00	19,201,600.00
Unobligated balance, Feb. 28, 1953.....	272,988.30	6,856,190.10	13,885.63	10,503.28	7,153,567.31

APPARENT INCREASE IN PART-TIME EMPLOYMENT

Mr. WILSON. Dr. Corning, the budget estimates for 1953 provided only 141 equivalent positions for other than permanent employees. Your figures indicate that you can presently finance 156, and that you need 176 under the heading "Supervision and instruction."

Would you mind explaining the increase of nearly 25 percent over the original estimate?

Dr. CORNING. I am sorry, sir. I am not getting the purport of your question. Would you mind repeating it?

Mr. WILSON. The budget estimates for 1953 provided only 141 equivalent positions for other than the permanent employees; is that correct?

Dr. CORNING. I cannot say, sir, without the complete budget information here.

Mr. WILSON. Your figures indicate that you can presently finance 156, and that you need 176 under the heading "Supervision and instruction."

My question was, Will you explain the increase of nearly 25 percent over the original estimate of 141?

Dr. CORNING. As far as I am concerned, that would require further analysis. It might be that Mr. Zellers could give you an answer. I am not quite following.

(The following statement of explanation was provided:)

STATEMENT CONCERNING THE NUMBER OF "FULL-TIME EQUIVALENT OF ALL OTHER POSITIONS" UNDER THE PROJECT "SUPERVISION AND INSTRUCTION" IN THE DISTRICT OF COLUMBIA PUBLIC SCHOOLS' BUDGETS FOR FISCAL YEARS 1953 AND 1954

The "1953 estimate" column of the 1953 budget contained 141 positions in the summary of personal services for the project "Supervision and instruction" as being descriptive of the "Full-time equivalent of all other positions" while the 1954 budget shows 156 positions in the same category in the "1953 estimate" column. This difference of 15 is the result of a change in method of calculating equivalent positions. Prior to the 1952 budget this particular bit of information had not been required in budget submissions. Beginning with the 1952 budget

this information has been furnished, but it has been necessary to impute an average estimated salary for the heterogeneous group of part-time employees who are included in this category. In preparing the 1953 budget estimates, an average salary of \$4,400 was used in arriving at the number of full-time equivalent positions. When this estimated average of \$4,400 was divided into the \$621,943 in funds carried in the same column, an equivalent of 141 full-time positions was produced. Later, experience indicated that the amount of \$4,400 used as the average salary actually was too high. Therefore, in preparing the 1954 budget an average salary of \$4,000 was used. Dividing \$622,553 by \$4,000 produces a full-time equivalent of 156 positions, or 15 more than previously despite the fact that the amount of money increased by only \$610.

The "1954 estimate" column shows 176 full-time equivalent positions, or 20 more than the 1953 column. These 20 additional positions are the equivalent of the \$80,000 increase requested for payment of substitute teachers in the 1954 budget.

The varied types of employment covered under the heading "Full-time equivalent of all other positions" are as follows:

- Americanization, evening instruction
- Americanization, summer instruction
- Evening, regular, supervision, division 1
- Evening, regular, instruction, division 1
- Evening, regular, supervision, division 2
- Evening, regular, instruction, division 2
- Summer, regular, supervision, division 1
- Summer, regular, instruction, division 1
- Summer, regular, supervision, division 2
- Summer, regular, instruction, division 2
- Evening, veterans, instruction, division 2
- Evening, veterans, clerical, division 2
- Evening, summer, veterans, instruction, division 2
- Evening, summer, veterans, clerical, division 2
- Summer, veterans, instruction, division 2
- Day school, veterans, supervision, division 2
- Day School, veterans, instruction, division 2
- Day school, veterans, clerical, division 2
- Stores clerks
- Substitute teachers

The nature and variety of the positions listed above makes apparent the difficulty of accurately estimating the average equivalent annual salary for the group.

Mr. WILSON. Mr. Vursell.

Mr. VURSELL. As I understand it, you need more money because you spent more than you intended to or expected to spend for teachers, is that right?

Dr. CORNING. Not quite, sir. We need more money because we have no funds to be transferred into this substitute fund, and the substitute service to supply substitutes for these absent teachers is already costing more than the appropriated fund.

Mr. VURSELL. You did that because of the flu epidemic in the latter part of this year, required more regular teachers to be out and more substitute teachers to be employed, is that correct?

Dr. CORNING. That would apply to the differential between the amount we actually spent for substitute service, which was something over \$222,000, and our estimate of total need of \$230,000.

But specifically, this \$80,000 is to make up for the fact that the Commissioners found it necessary to reduce our request from \$230,000 to \$150,000, they then believing that we could do just what we have done before; namely, transfer from savings.

But those savings, you see, were really in a sense obligated because then the Congress came in and said, "All these increases in salaries and wages and pay required by law must be financed out of savings."

Therefore, the procedure we had followed in each previous year could not be followed this year, and we were held specifically to the \$150,000 in the basic appropriation.

Mr. WILSON. That is all, Dr. Corning.

Dr. CORNING. Thank you very much indeed.

VETERANS' SERVICES

WITNESSES

WALDRON LEONARD, VETERANS' SERVICE CENTER

WOODFORD SMITH, VETERANS' SERVICE CENTER

Mr. WILSON. The next item to be considered is Veterans' Service in the amount of \$5,000. The committee would be glad to hear any comment you may have in addition to the information on pages 34, 35, 36, 37, and 40, of the justifications which will be included in the record at this point.

(The matter referred to follows:)

SALARIES AND EXPENSES, SERVICES TO VETERANS, DISTRICT OF COLUMBIA

Amounts available for obligation

Appropriation or estimate (obligations incurred) :

Presently available.....	\$80,000
Revised estimate.....	85,000
Difference	5,000

Obligations by activities

Services to Veterans:

Presently available.....	\$80,000
Revised estimate.....	85,000
Difference	5,000

Obligations by objects

Object classification	Presently available	Revised estimate	Difference
Total number of permanent positions.....	16	16	-----
Average number of all employees.....	16	16	-----
01 Personal services:			
Permanent positions.....	\$72,983	\$77,983	+\$5,000
Regular pay in excess of 52 week base.....	282	282	-----
Total personal services.....	73,265	78,265	+5,000
02 Travel.....	500	500	-----
04 Communication services.....	2,530	2,530	-----
05 Rents and utility services.....	1,000	1,000	-----
06 Printing and reproduction.....	500	500	-----
07 Other contractual services.....	122	122	-----
Services performed by other agencies.....	544	544	-----
08 Supplies and materials.....	1,195	1,195	-----
09 Equipment.....	344	344	-----
Obligations incurred.....	80,000	85,000	+5,000
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,155	\$4,338	\$4,753
Average grade.....	GS-6.0	GS-6.0	GS-6.6
Crafts, protective, and custodial grades:			
Average salary.....	\$2,440	\$2,630	\$2,770
Average grade.....	CPC-2.0	CPC-2.0	CPC-2.0

JUSTIFICATIONS

In the District appropriation hearings before the House, the Veterans' Service Center was not given an opportunity to justify its budget request, but was assured that in view of the fact that it was not for additional funds above that of the previous fiscal year, that our request would be approved. The reduction of 37 percent in our request by the House committee was such a surprise that we requested a hearing before the Senate Appropriations Subcommittee. After the testimony of veterans' organizations and civil leaders, the appropriation was restored. We felt the evidence submitted back to the Appropriations Committee would certainly substantiate in conference our needs for the funds requested. It was not until July 5 that we learned that the House did not concur with the Senate committee (in conference) and that we would be forced to operate on the reduced budget.

Prior to the Congress in passing the 1953 Appropriation Act for the District of Columbia, this Division was fraught with uncertainties and did not know until July 5, 1952 (at which time the bill was passed) how we actually stood. As there were 24 employees on the payroll at that time, a hurried conference was held to ascertain just what steps had to be taken to reduce our personnel to the point that would allow us to still operate with a skeleton force through June 30, 1953, with \$73,265 available for personal services. Ten positions were dropped from our former 26 as authorized in the prior fiscal year, but during this transition it was necessary to give notice in writing to each employee to be terminated, stating the reason and giving each a 30-day notice. This action necessitated our keeping these employees on the payroll from July 1 through August 15, 1952, costing \$3,743.51, and, in addition to this, we were obligated to pay off terminal leave to four of these employees costing \$2,443.93, a total expenditure of \$6,187.44 which, of course, we did not anticipate nor have sufficient funds in our personal service allotment to do and still carry on through June 30, 1953. To reduce our force any further would certainly render the center inoperable from a practicable standpoint.

We respectfully request that under the extenuating circumstances in our case that favorable consideration be given, and, that we may be granted a supplemental appropriation in the sum of \$5,000 to carry on through June 30, 1953.

Mr. FOWLER. Colonel Leonard, who is the head of that department is here, and he will justify, with his assistant, the request.

GENERAL STATEMENT

Mr. LEONARD. Mr. Chairman and gentlemen, I think we are just a little bit a victim of misunderstanding, not necessarily by this committee, but last year we were not invited to appear before you and present our budget, although a statement was submitted.

Year after year we have tried to keep down the expenses in the Veterans' Service Center, asking for less money, considering the raise classifications.

Mr. Chairman, I think you will be interested in this—because I know your position on economy—we took over a Federal agency that had a \$184,000 annual budget, the District of Columbia Housing Center, and inside of 30 days we reduced the personnel to 7 employees to a \$20,000 budget; and in the meantime getting less money than when the Veterans' Service Center started 7½ years ago.

The name Veterans' Service Center is misleading to you gentlemen because in your States you have a Division of Veterans' Affairs.

In Washington our 235,000 veterans receive the eighth largest amount of any State in the Union, with benefits of over \$216 million, by the Federal Government.

But being the Nation's Capital we have many services to try to be of help to your constituents, that instead of being classed as a Veterans' Service Center, which usually was a social service after World War II, we are a division of services to veterans.

In that connection, we in the District, for an example, have turned back in the appropriation about \$35,000 or \$40,000 over a period of 5 years. I think you gentlemen will be interested to know—not to show my sincerity but the facts—I had an estimate of \$340 to paint the office. I thought it was too much, so I bought a couple of gallons of Kemtone and painted it myself on Saturday and Sunday.

I left the hospital to appear before the Senate committee.

We were not asking for any more money, and we had been complimented by this committee in the 80th Congress who had investigators visiting District agencies who said that the Veterans' Service Center was giving as much, dollar-for-dollar value, as any agency they had visited.

We were cut 37 percent by the House. Every veterans' organization in town appeared in our behalf before the Senate committee and, please believe me, I did not request any of them to do so. They came to the hearing and asked to be heard.

Mr. Clinton Newell, president of the Federations of Citizens Associations, for one, and the president of a civic organization, Mr. Woosley Hall, came down and asked to testify. The veterans' organizations were there and all asking what in the name happened that we asked for \$127,000 and we came out with \$80,000.

Senator Hill made a statement. Senator Neely made a statement. It says here in the record that he knows it is one of the finest organizations in the District of Columbia, and that the Veterans' Service Center is more economically operated than any operation in the District of Columbia. Then Commissioner Young goes on record with the same statement.

Mr. Chairman, I wanted to get this information to your committee. Now I will answer your questions and tell you anything you want to ask about the \$5,000.

Mr. FOWLER. Mr. Chairman, if I might just add one thing here, it frequently happens that we "lay in" the written justification when we are not asking for increases. On page 161 of the record you will find that when we came to that in the 1953 hearings, I suggested that the increases were purely mandatory and that we had a written statement from Mr. Leonard, and we would introduce his written statement.

Colonel Leonard, as he just told you, was sick in the hospital and could not appear. We thought we were doing that in the economy of time. However, in this particular instance, we had a written justification, we thought.

Mr. LEONARD. Mr. Chairman, I will tell you what happened. I know that is what you want to hear. When it went to conference, we did not know what was going to happen to it. We were operating with 23 employees. Originally we had 34.

When it went into conference committee, and the writeup in the Star said there did not seem to be any doubt, we were waiting to hear what the cut would be, or whether we were to be cut.

We heard on July 7 that the House had held to this decision that we were to get \$80,000. I immediately asked for a conference with the Commissioners because my first recommendation was to close the Veterans' Service Center.

I had hoped perhaps we could receive assistance from other departments such as financed General Services Administration; in other words, maybe we would get money off somebody else. On July 15 I

sent notice to the seven employees telling them that due to the appropriation they were dismissed. That was a 30-day notice. The 30-day notice that is required by law.

Added to that the terminal leave, to pay these people. That left us with 16 employees, a total of 16 employees to operate the center after terminating these people.

I have been operating with those 16 employees to this date, and I think that you gentlemen will be interested, and I think the record should show, that from December 21, 1952, to March 10, 1953, that the cumulative leave of these employees was 5,618 hours. They took 35 hours.

They lost on December 20, never to be retained, because it cannot be accumulated over 90 days, 295 hours that the employees still worked, even though they were entitled to it.

On sick leave, 4,672 hours through the same period, and with the flu season and all that, they took only 162 hours. That leaves a balance of 4,510 hours.

We had 240 veterans seeking service in the center yesterday, and 250 the day before. We think we serve the District of Columbia tenfold for handling these cases and getting these people rehabilitated so many will not be on the relief rolls.

We are down now to 4 or 5 interviewers with 250 people coming in a day. For the first time we have to tell the people to come back tomorrow. We are still trying to do a job.

EMPLOYMENT

Mr. WILSON. Mr. Leonard, how many employees did you have at the beginning of fiscal 1953?

Mr. SMITH. Actually 23.

Mr. WILSON. Now you have 16; is that correct?

Mr. SMITH. Yes, sir.

Mr. WILSON. What is your anticipated budget request for fiscal 1954?

Mr. SMITH. \$120,000.

Mr. WILSON. That is \$40,000 more than you were allowed in fiscal 1953, is it not?

Mr. SMITH. That has just been cut off.

Mr. WILSON. In other words, you would like to increase your personnel back to 25?

Mr. SMITH. Actually we had operated the prior year with 26 employees with \$120,000. We are asking for 26 for 1954.

Mr. WILSON. When were you first aware that you might have less than you thought necessary for operating expenses?

Mr. SMITH. Just on July 7, I think. I think the bill was passed July 5.

Mr. LEONARD. I think it was on a weekend, I talked to the Commissioners, Mr. Wilson, on the 15th; but we still had hopes that we could transfer the money from some other department.

For example, 1 employee left me with \$1,200 to be paid terminal leave. They went up to Republican headquarters, and worked 3 or 4 weeks, and that on termination. We paid \$1,200 terminal leave pay.

She then was employed by another District agency who received the \$1,200.

I did everything that I could to save that money, so we did not know until September actually what the figure was going to be for that terminal leave.

Mr. WILSON. When did you first take action to cover those expenses?

Mr. LEONARD. As soon as we could.

Mr. WILSON. After the bill became law or after the conference report was adopted or after the House bill was reported?

Mr. LEONARD. We did not know about the House report. I did not know. I was in the hospital. The doctor would not let anybody see me. When I did hear what happened it was in the Senate, I asked him and I left there. I came on down, appeared before the Senate Committee. That is the first time I knew it had been cut so much. The Senate committee restored the House cut.

Then we had the hopes that when it went back in conference, we would have a chance to testify there, the Senate Committee heard the the statements of the civic associations and veterans' organizations, they restored the 37-percent cut. We believed the House committee would consider further this cut and what it would mean in handicapping our service.

The commanders of the veterans' groups called on a couple of people up here, and they told me, "Waldron, do not quit." The veterans' organizations and the civic organizations and the chamber of commerce people are with you all the way through on this thing, it just happened and no one knows why except you were lost in the rush of the last hours of conferences.

Mr. WILSON. My next question has partially been answered, but I might ask it at this point for the record in order that you may give any additional information you may have: Why did you not take sufficient action to get your expenses within the appropriation?

Mr. LEONARD. That would have been in October. That would have meant reducing the force and losing many of the employees. I talked to the Commissioners and I talked with the Budget Bureau, and I think Mr. Fowler will state and Mr. Wilding says in fact that we had no reserve fund for this, "that you do have something reasonable to present to the Congress in the way of a supplemental because it is through no fault of yours. They gave you \$80,000 to operate on, but this is terminal leave and accumulated leave."

Mr. WILSON. You are familiar with the provisions of section 1211 of the General Appropriations Act of 1951, are you not?

Mr. LEONARD. Mr. Wilson, I do not know the provision. I think it is about transferring money.

Mr. WILSON. It is about deficiencies.

Mr. LEONARD. But in this case, it means that we cut off two people off of interviewers in that—well, it will mean closing down.

I have discussed this thing with the Commissioner. I begged them to close the housing. That was my recommendation. They did not do that. They said, "Keep a skeleton staff. Do the best you can until we get these people."

I have 2 people handling the housing in the District of Columbia, and it is just as bad as it was 5 years ago, and it is going to be worse in the next 6 months for those seeking low-income housing or even housing up to \$80 per month.

When that appropriation was cut back, I cut the force back. I just tried to keep a skeleton force. I cut the messenger off. Even my photostat paper was paid for by the Community Chest, and the American Legion sent out and begged its members and they employed one of my employees, and he is assigned to work at the Veterans' Administration so we can carry on the claims work.

They raised \$2,500 from a dollar apiece from their people to keep this employee up at the Veterans' Administration; and so far as the law is concerned, I am also an officer of the American Legion and have been for 5 years, so he is not working for the District of Columbia. He is working for the American Legion, but they are doing our work.

Mr. WILSON. Mr. Leonard, I think you will find me one of the most liberal-minded people in the Congress when it comes to exercising congressional powers over the people of the District of Columbia.

Mr. LEONARD. I know that.

Mr. WILSON. I certainly feel that Congress must hold or retain a certain amount of power and control over the District. That must be done.

However, I feel that we should exercise it to the least extent insofar as handling your own fiscal affairs. It is your money you are spending, and you should have the maximum to say about what is spent.

However, I am charged as chairman of this subcommittee, and this subcommittee is charged by the full committee, and the full committee is charged by the whole Congress with a responsibility; and that responsibility is to carry out the laws as they do exist.

When we give you a budget, when we set an appropriation for you, we certainly have a right to expect you to bend every effort to stay within the limitation of that appropriation, whether it is in keeping with my personal belief or that of the subcommittee. It is still the wish of Congress as expressed by law, and they have a right to expect us to see that you people do make an effort to stay within the limitation, whether we or you believe in it or not.

Mr. LEONARD. Mr. Wilson, I can understand your position, and I hope you can see my embarrassing position because here is money that I have turned back year after year, not being permitted to have a cushion for such things as this emergency. Many agencies are so protected.

We did everything that can be done with the exception of firing a couple of people and cutting it down to 4 or 5 people.

Mr. WILSON. Mr. Leonard, we will have you before our subcommittee on the appropriation for fiscal 1954 and discuss that more thoroughly.

In view of the fact that this is a relatively small item, I do not wish to spend too much time on the supplemental, and I do not wish to monopolize the time we do spend on it here, so I am going to ask Mr. Vursell if he has any questions at this time.

Mr. VURSELL. I think you have been doing a splendid job from your testimony, and I heard your testimony about turning back as much as \$35,000 and \$40,000. I take it, however, that there was nothing turned back in this reduced authorization for 1953, is that correct?

Mr. LEONARD. No, sir.

Mr. VURSELL. You used all that money, and you are about \$5,000 short?

Mr. LEONARD. We have not used it, but it will take \$5,000 to carry us through to June 30.

Mr. VURSELL. That is all, Mr. Chairman.

Mr. WILSON. Congressman Norrell?

Mr. NORRELL. Mr. Chairman, I have no questions except I would like to say this: I think we are all interested in veterans, and we think you are doing a good job there. I know each member of this committee is interested in doing what they can for you.

However, I wish you would, between now and the time we start our hearings on your next fiscal year's appropriation, see if you can find a statement somewhere showing the veteran population of the different States, including the District, and then show the appropriation that each State makes, including the District, to carry out their veterans' work.

Do not go into that now, but I would like to have it at that time.

Mr. LEONARD. Mr. Norrell, I will be glad to do that now as I have that information here or later.

(Discussion off the record.)

Mr. FOWLER. Mr. Chairman, I would just like to say that in my working with Colonel Leonard, I found him not to be an empire builder. He had a splendid opportunity to build up this organization when he first started, and there are other things that do not show in the record where he has saved the District government a considerable amount of money in the handling of veterans, where they would have had hospitalization in the District of Columbia, and where they should have had hospitalization elsewhere.

Mr. WILSON. Mr. Fowler, I can excuse a man for being enthusiastic. Unless he is enthusiastic, and perhaps a little overenthusiastic, he is not a good man for the job.

OFFICE OF CIVIL DEFENSE

Mr. WILSON. The next item we have before us is a request for \$78,285, in addition to the regular annual appropriation of \$100,000, for salaries and expenses of the Office of Civil Defense.

Pages 42, 43, 44, 45, 46, and 47 of the justifications as presented to the committee will be inserted in the record at this point, and the committee will be glad to hear any additional statement.

(The matter referred to follows:)

SALARIES AND EXPENSES, OFFICE OF CIVIL DEFENSE, DISTRICT OF COLUMBIA

Amounts available for obligation

Appropriation or estimate (obligations incurred):

Presently available, \$100,000. Revised estimate, \$178,285, difference +\$78,285.

Obligations by activities

Civil defense:

Presently available	\$100,000
Revised estimate	178,285

Difference	78,285
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Obligations by objects

Object classification	Presently available	Revised estimate	Difference
Total number of permanent positions.....	19	19	-----
Average number of all employees.....	19	19	-----
01 Personal services:			
Permanent positions.....	\$79,319	\$79,319	-----
Regular pay in excess of 52-week base.....	307	307	-----
Payment above basic rates.....	350	350	-----
Total personal services.....	79,976	79,976	-----
02 Travel.....	600	600	-----
04 Communication services.....	8,000	8,000	-----
05 Rents and utility services.....	2,350	2,350	-----
06 Printing and reproduction.....	1,000	1,000	-----
07 Other contractual services.....	1,600	1,600	-----
Services performed by other agencies.....	150	150	-----
08 Supplies and materials.....	5,990	22,355	+\$16,455
09 Equipment.....	424	6,355	+\$61,830
Obligations incurred.....	100,000	178,285	78,285
Average salaries and grades:			
General schedule grades:			
Average salary.....	4,489	4,489	-----
Average grade.....	GS-6.6	GS-6.6	-----
Crafts, protective, and custodial grades:			
Average salary.....	\$2,605	\$2,605	-----
Average grade.....	CPC-3.0	CPC-3.0	-----

This supplemental appropriation request is submitted to enable the Office of Civil Defense for the District of Columbia to match funds appropriated to the Federal Civil Defense Administration and allocated to the District of Columbia for the purchase of approved items of supplies and equipment for civil defense, on a matching basis. This allocation expires at the end of the current fiscal year.

The appropriation for the Office of Civil Defense, District of Columbia, for this fiscal year makes it impossible to take advantage of any of these funds for the purchase of needed items.

The District of Columbia has been designated a critical target area for all nationwide planning and it is imperative that we do our utmost to afford maximum protection for our citizens.

The allocation to the District of Columbia has been divided as follows:

Attack-warning-device system.....	\$60,000
Public information and education.....	2,785
Training and education.....	1,500
Health and special-weapons defense.....	14,000

Two of the most important programs of this Office, and ones which congressional appropriations subcommittees have repeatedly stated that they feel the most important, are (1) to warn the public of an impending attack, and (2) to educate the public.

The funds allocated and requested above will enable us to purchase 34 more attack-warning devices at an approximate cost of \$3,500 each to augment the present installations in the District of Columbia. The installation of these devices should give the District of Columbia almost 100 percent coverage, with some other arrangements necessary in a few cases due to terrain or the construction in some areas.

The installation and locations of these devices has been designed by our Assistant Director for Communications, based on his experience during World War II and in accordance with all available technical manuals on sound coverage. This program has been approved by the Federal Civil Defense Administration and by sound engineers in private industry.

The funds requested herein for public information and education will include the purchase and erection of signboards marking main civil-defense roads at entrances to the city, and signs for marking civil-defense-road network within the city proper. This category will also include the purchase and distribution of local and national publications dealing with general and specific civil-defense information and education for consumption by the general public.

The main concept of civil-defense activities is built around self-help. If the public as a whole knew what to do and when to do it, casualties could be reduced substantially in the event of an enemy-caused disaster. The supplies and materials requested above will further the education and knowledge of the public.

Training and education for civil defense volunteer workers is the next phase and the funds requested will enable us to purchase some basic warden, rescue, and elementary fire-fighting supplies and equipment for training purposes. These include training kits, training films, publications, and other necessary supplies to conduct this training.

Following a disaster, the chief problem will be to care for the casualties. The District of Columbia has taken advantage of a similar matching fund program, during fiscal year 1952, for the purchase of equipment and supplies for 40 emergency casualty stations (first-aid stations), which will be placed at predetermined dispersed locations throughout Washington. These stations will be equipped with minimum supplies and equipment (including antibiotics) to enable trained teams to render medical aid to injured persons as near the disaster area as possible.

To supplement this, the requested funds for health and special weapons defense will be used to purchase the recommended and approved supplies and equipment for a 200 bed improvised hospital—initial stage. This is not the total requirement for this type of service. It will, however, provide medical equipment for one improvised hospital which will also be available for training of organized hospital services during the predisaster period.

These funds will also enable us to purchase radiological dosimeters, and the allied equipment, for the protection of all radiological survey teams. These teams will be the first civil-defense workers to enter a disaster zone to determine whether the area is safe to enter from the standpoint of radioactivity.

The equipment and supplies mentioned above are necessary to basic civil-defense preparations for the protection of the citizens of this community. Federal funds have been appropriated and allocated to the District to be matched on a 50-50 basis for the purchase of the above items. This allocation of Federal funds will expire on June 30, 1953. It is, therefore, recommended that Congress approve and authorize the expenditure of funds as outlined above.

Mr. WILDING. Mr. Chairman, we had certain witnesses indicated to us as being desired, and others, we did not bring with us. This is one on which we did not bring any witnesses.

Mr. WILSON. The members will have an opportunity to ask, of you or Mr. Fowler, any questions they might have.

Congressman Vursell, do you have any questions?

Mr. VURSELL. I do not understand the problem because it is new to me, being a new member of the committee, but I am assuming that if you do not get the amount requested here during this fiscal year from the Federal Government, the Federal Government will save that amount. Then in 1954 we will be confronted with what you wanted at this time, for civilian defense, in the new budget.

Mr. FOWLER. Personally, I am not perfectly sure that the Federal Government will save that amount. This amount will be allocated to the District. Whether or not they could allocate it to some other city or State, I do not know.

I do understand, however, that if we can get this amount, the Federal Government will give us the equivalent for supplies, materials, equipment, and so forth.

If we do not get that, the District will lose its chance of getting an equal amount for the fiscal year from the Federal Government.

Mr. VURSELL. What was the request for 1953 fiscal year and how much did the Congress give on that, or do you know?

Mr. FOWLER. No; we can tell you in a moment.

The request was \$725,000, and the Congress allowed \$100,000, but previous to that we had allocated in our budget a million dollars for civilian defense; we had that set aside for civilian defense purposes.

We made our representations to the committee, and the committee decided that a hundred thousand dollars would be sufficient.

Mr. WILSON. Are there any further questions?

PUBLIC WELFARE

ST. ELIZABETHS HOSPITAL

Mr. WILSON. The next item you are requesting is a supplemental estimate of \$824,243 in addition to the regular appropriation of \$8,687,000 for "Public welfare, St. Elizabeths Hospital."

Without objection pages 53, 54, 55, and 56 of the justifications as presented will be inserted in the record at this point, and the committee will be glad to hear any further comments that you may care to make on the item.

(The matter referred to follows:)

SUPPORT OF INDIGENT INSANE OF DISTRICT OF COLUMBIA IN ST. ELIZABETHS HOSPITAL

Amounts available for obligation

Appropriation or estimate:

Presently available-----	\$8, 687, 000
Revised estimate-----	9, 511, 243
Difference-----	+ 824, 243

Obligations by activities

Care of District patients:

Presently available-----	8, 687, 000
Revised estimate-----	9, 511, 243
Difference (+ or -)-----	+ 824, 243

Obligations by objects

07 Other contractual services:

Presently available-----	8, 687, 000
Revised estimate-----	9, 511, 243
Difference (+ or -)-----	+ 824, 243

JUSTIFICATION

The budget for fiscal year 1953 was based upon an estimated average population of 5,000 at a cost of \$4.76 a day for a total appropriation of \$8,687,000. During the period July 1, 1951, through September 30, 1952, there was an average increase in population of 18 each month. The number of District of Columbia patients in St. Elizabeths Hospital during July 1952 was 5,254.

Projecting this same rate of increase for the balance of fiscal year 1953 we have an estimated population of 5,318 for the year. For the first 6 months of fiscal year 1953 the per capita rate has been \$4.90 and we are, therefore, projecting the estimated expenditures on this same rate for the balance of the year.

Assuming that the average population will be as estimated and the per capita rate will be the same, we have:

Approved budget 1953:

Average population-----	5, 000
Cost per day-----	\$4. 76
Total-----	<u>\$8, 687, 000</u>

Estimated budget 1953 :

Average population-----	5,318
Cost per day-----	\$4.90
Total-----	\$9,511,243

Mr. FOWLER. I think the justifications are ample. There is a definite need. It is arising by reason of the increased patient cost in St. Elizabeths Hospital, which increased patient costs are decided by the Federal Bureau of the Budget. It is the amount we pay for the keeping of our patients in St. Elizabeths Hospital.

DISTRICT PROPORTION OF PATIENT LOAD

Mr. WILSON. What is the present population of District of Columbia inmates at St. Elizabeths?

Mr. WILDING. The number changes every day. The average population per day for the present fiscal year is now estimated at 5,318.

Mr. WILSON. Do you happen to know what the total number of patients is in St. Elizabeths?

Mr. WILDING. In the neighborhood of 7,000.

Mr. WILSON. That is about 70 percent of the total inmates out there that are from the District of Columbia?

Mr. WILDING. Approximately 70 percent; yes, sir.

APPROPRIATIONS AND COSTS FOR PAST YEARS

Mr. WILSON. Mr. Wilding, what have the appropriations for this purpose been for the past 5 years?

Mr. WILDING. With your permission I will fill the figures in precisely, but they have gone up with alarming rapidity, and the amount, the rates, have gone up. The population has gone up rather steadily. The rate has gone up rather alarmingly, but not too much out of proportion with the increased cost of living.

The \$4.90 has been in effect in this fiscal year; \$4.76 was in effect just a short time ago. I can remember in my short period when it was \$1.80. That has been not over 25 years ago.

With the permission of the chairman, I will supply those exact figures.

Mr. FOWLER. Not 25 years ago; 10 years ago.

(The information requested is as follows:)

Appropriations for the last 5 years :

1948-----	\$6,502,267
1949-----	7,498,000
1950-----	7,642,622
1951-----	7,980,000
1952-----	8,336,000

COST PER PATIENT DAY

Mr. VURSELL. May I ask you what the \$4.76 covers? Does that cover administration, medical care, nursing care, everything?

Mr. WILDING. That includes care, all care, in the hospital. Most of it is custodial and does include a certain amount of psychiatric care. Most of them are healthy physically and require little medical care.

The figure of \$4.76 was the rate on the original estimate, which is now changed to \$4.90 a day and covers everything in the way of operating expenses, except capital outlay; no amortization of capital outlay is included in that figure.

RECOMMENDATION FOR TRANSFER TO DISTRICT

Mr. WILSON. Mr. Wilding, if it could be arranged, would the District be interested in taking over St. Elizabeths and operating it as a District institution rather than a Federal institution?

Mr. WILDING. I have seen some recommendations which have been made by Mr. Fowler to the Commissioners. I believe Mr. Fowler might like to tell you about that.

Mr. FOWLER. I made a report on St. Elizabeths Hospital 7 or 8 years ago, and called attention to the \$7,000,000 or \$8,000,000 we were paying, and indicated that it might be well to transfer the hospital and make a great center out of it.

But the opposition was that it was one of the greatest hospitals of its kind in the world and, if it got into the jurisdiction of the District Commissioners and the District of Columbia government, that perhaps it would be destroyed. So, we did not get very far with that suggestion.

But it was made, and considerable publicity was given to it; but there is no present plan, as far as I know, or any effort being made to do that.

Mr. WILSON. Mr. Fernandez?

RATE PER DAY NOT BASED ON COSTS

Mr. FERNANDEZ. That rate of \$4.90 does not represent what it costs the hospital to take care of these people, does it?

Mr. FOWLER. It does not include any amortization for capital outlay.

Mr. FERNANDEZ. As a matter of fact, and irrespective of amortization, it is not a rate arrived at by any determination of operating costs or of any costs at all, is it?

Mr. WILDING. We do not know the answer to that question, sir, inasmuch as the rate is established by the Bureau of the Budget, and the methods of computation are not known to us.

Mr. FERNANDEZ. That is the answer; that it is not based on anything of that sort.

Mr. WILDING. We are glad to know that, and we hope they will find that they have made a very great mistake, and it is much lower.

Mr. FERNANDEZ. It is not a realistic rate. It is not arrived at by any survey of the cost to the hospital to take care of these patients. It is merely the proportionate share that the District people pay of what the Congress finally determines to be the total amount to be spent.

I think the rate is very low. That is all, Mr. Chairman.

PUBLIC WORKS

CAPITAL OUTLAY, SEWER DIVISION

Mr. WILSON. Mr. Fowler, your next request is to \$2,500,000 for public works. Pages 58, 59, 60, and 61 of the justifications as presented will be inserted in the record at this time. The committee will be glad to hear any further comment which you may have to make.

(The matter referred to is as follows:)

CAPITAL OUTLAY, SEWER DIVISION, PUBLIC WORKS, DISTRICT OF COLUMBIA

Amounts available for obligation

	Presently available	Revised estimate	Difference
Appropriation or estimate.....	\$5,026,000	\$7,526,000	+\$2,500,000
Prior-year balance available:			
Appropriation.....	3,125,552	3,125,552	-----
Contract authorization.....	270,000	270,000	-----
Obligations incurred.....	8,421,552	10,921,552	+2,500,000

Obligations by activities

	Presently available	Revised estimate	Difference
1. Storm-water sewers.....	\$466,554	\$466,554	-----
2. Relief sewers.....	1,500,000	4,000,000	+\$2,500,000
3. Replacement sewers.....	151,625	151,625	-----
4. Advance of highway paving.....	791,942	791,942	-----
5. Assessment and permit work.....	794,464	794,464	-----
6. Survey of sewers.....	216,000	216,000	-----
7. Sewage treatment plant.....	4,315,328	4,315,328	-----
8. Remodeling Poplar Point station.....	185,639	185,639	-----
Obligations incurred.....	8,421,552	10,921,552	+2,500,000

Obligations by objects

10 Lands and structures:		
Presently available.....		\$8,421,552
Revised estimate.....		10,921,552
Difference.....		+2,500,000

Piney Branch relief sewer.—Piney Branch Parkway, between Rock Creek and 16th Street; Kansas Avenue, between Randolph Street and 5th Street; and 5th Street, between Kansas Avenue and Ingraham Street.

2,600 linear feet of stream channelization; 6,270 linear feet of sewer varying in size from 15 feet to 12 feet in diameter..... \$2,500,000

The Piney Branch drainage area consisting of 2,413 acres, is a fork of the Rock Creek Valley, extending from Rock Creek in a northeasterly direction to Takoma Park. At its lower end the valley is relatively narrow, with steep sides. At its upper end it fans out to a width of a mile and a quarter. From Rock Creek to a point just west of 16th Street, the valley is drained by an open stream.

During the period since 1920 the Piney Branch area has been practically completely developed with thousands of homes, apartments, and commercial structures. The storm-water runoff from the buildings, roadways, sidewalks, and alleys installed as the area developed exceeds the capacity of the combined system sewers.

As a result, two or three times each year during heavy rainfalls, many streets, sidewalks, and buildings are flooded and suffer extensive damage. The most notorious locations are those in the intersections of 5th and Ingraham Streets, 7th and Hamilton Streets, and 13th Street and Delafield Place NW., where pockets in the street grades cause water to pond to a depth of several feet.

Owners of property in these and other locations report that because of this flooding condition they have difficulty in selling or financing their homes. On occasions, they have had to dispose of them for as much as \$2,000 below the market price.

The District has completed the first section of the main branch of the Piney Branch relief sewer in the vicinity of Arkansas Avenue and 16th Street and will begin construction of the second section, estimated to cost \$1,000,000 in the im-

mediate future. This construction will extend to the vicinity of Kansas Avenue and Randolph Street.

Plans are well under way to place the remaining portion of the relief sewer under contract. In order to expedite the construction of the sewer, it is proposed to place the work under at least two contracts. Bids for the first of these contracts can be advertised within 30 days after funds shall have become available.

Mr. FOWLER. Mr. Wilding will justify it if he has any further comment.

Mr. WILSON. Mr. Wilding.

Mr. WILDING. This is a project which has been confronting the Commissioners ever since the residential area now known as Petworth was first attaining a point or stage of completion in the neighborhood of Emerson to Ingraham Streets and Fifth to Seventh, and the provision for storm-water carryoff, storm-water sewage carryoff, has never been adequate.

The sewer was built according to the then best known methods of computing the demand and has never given complete satisfaction to those who have to suffer the ravages of its inadequacy.

The present item of \$21½ million will enable the Commissioners to enter into the contract which will complete the sewer project under the present plan and under which it is contemplated full provision will be made for adequate storm water sewage carryoff, or drainage. Particularly, they desire that they—the Commissioners—be put in a position to enter into a contract in this fiscal year and using in this fiscal year at least \$500,000 of this \$21½ million, inasmuch as there is now \$1 million available for this purpose in regular appropriation acts.

They then desire to enter in this year also a contract which will put them under contractual obligations, through authority which would be carried under this appropriation for the completion of the project, and we are required to put the full amount of the appropriation in; otherwise, we could start the project here and in the next year put the appropriation in for continuing it, but we would have to enter into a contract, and have a contractual authority.

That would be in violation of your new rules against contractual authority; therefore, we ask the entire appropriation, of which we ask that \$1 million be made available for expenditures only on and after July 1, 1954, the 1st day of the fiscal year 1955.

CONSTRUCTION COST TRENDS

Mr. WILSON. Mr. Wilding, what is the present trend of construction contract cost?

Mr. WILDING. My latest information is that it is actually slowing up and had slackened off, but I do not know that there is any trend right now. It seems to me—no, I would have to have information on that from the engineers to the exact trend.

We believe, I believe the trend will be level for a while. I am ever optimistic. I hope it will shade down a little, but we have no information whatever on which to base that as a certainty.

Mr. WILSON. What significant loss will occur if this item is deferred to the regular 1954 appropriation period?

Mr. WILDING. I doubt that I would be able to assert without fear of successful contradiction that that could be a crisis that would arise as a result of not getting this in this bill.

We would like to get this in order that we may enter into this contract in this fiscal year, and deferring it to the regular 1954 appropriation bill would prevent us.

Also, sir, the provision for financing this, and we must necessarily provide for the financing—that provision is included in our estimated supplementals for 1953 and 1954 as set forth in the budget document, and I refer to the budget document as sent up here originally and not the budget document now pending before the committee for this item, and therefore, it will make no difference to us financially whether we have this put in this supplemental bill. It is no extra charge to us. We are not advancing the charge. The charge will be made, and we feel that it is a compelling item, one to which the committee will give favorable consideration.

We would just not like to see it deferred to the 1954 appropriation bill because it would probably, not probably, it certainly would, interfere with our entering into a contract.

MR. FOWLER. It will be expediting the work which has been delayed, and will not continue to embarrass and depress property values in that area where people are really suffering from this condition.

MR. WILSON. Why was this not apparent at the regular hearings on the 1953 budget?

MR. WILDING. This item was not included in the 1953 budget because we went to the limit of our financial ability, and did not include this item in there for that reason.

We did include \$500,000 with the total capital outlay for sewers, for the Piney Branch sewer, not set forth in so many words, but it was for that purpose.

The Commissioners felt, and they feel now, we can add \$500,000 to this figure and \$1,000,000 in the fiscal year 1954 and \$1,000,000 in the 1955 fiscal year, which is, in effect, what this would do, and we believe that we should start it. We would ask, therefore, that you give favorable consideration to including in the third supplemental bill which may be formulated as a result of this request this additional appropriation.

MR. WILSON. Supplementals ordinarily are concerned with items of an emergency nature, and I cannot see where there is too great an emergency attached to this request.

MR. VURSELL. I take it, Mr. Chairman, that when you asked what would happen if we did not approve this, the answer is that it would just about freeze the status quo, would it not?

MR. WILDING. Yes, sir; it would do just that. There would still be these citizens who have importuned us so vigorously on the subject in other years—and I mean vigorously—on the subject of the sewer, who have it backing up into their cellars and ruining their washing-machine equipment, and so on.

In fact, they claim that a very heavy dew will cause the sewer to back up at night. That is not true, I do not believe it, but they have real reason for that. They have what is in effect a sump there. They have only this one sewer, which is not adequate for that area. They have serious trouble when we have a rain like we had last week.

MR. VURSELL. I can sympathize with them because for 2 or 3 years I helped to open up a new addition and build a new house, but we had to wait for the city council to build a new sewer.

I presume the taxes out there are about as high as they are any place else, and the people themselves are paying their part, as we would pay out in the States?

Mr. WILDING. Yes, sir; if that is in the form of a question, they pay the same rate of taxes and the assessments are on the same basis in that area as in all other parts of the District of Columbia.

PROPERTY DAMAGE CLAIMS

Mr. VURSELL. But there is no property destroyed. There is inconvenience, but I presume you do not have any complaints of a thousand dollars' damage to a house, do you?

Mr. WILDING. Yes; we have constant complaints of damage to the valuations of the properties, and there is actual damage to personal property contained in the cellars of the houses; but there is a continuing and constant complaint of loss of property values in these homes in this area by reason of this ever-threatening damage to their homes.

Mr. FOWLER. Actually flood conditions are jeopardizing property and individuals.

Mr. VURSELL. I used to be on the Public Works Committee, and we knew of tremendous damages, yet we were not always able to build the necessary dikes and give the necessary protection. I was just wondering if this was so serious that we should act upon it favorably.

Mr. FOWLER. May I read you a little from the 1953 hearings:

The Piney Branch drainage area embraces a total of 2,413 acres of intensely developed property and extends from the vicinity of 16th Street and Spring Road NW., in a northeasterly direction to the District line at Takoma Park. Included in the area are sections known as Saul's Addition, Petworth, Manor Park, and Takoma Park, D. C. During the period 1920-35 these sections were almost completely developed with thousands of homes and many commercial structures. The stormwater runoff from these buildings and from the roadways, sidewalks, and alleys, installed as the area developed, exceeds the capacity of the combined system sewers in the area. As a result, during heavy rainfalls many streets become open waterways which spill on the abutting private property and cause extensive damage. Also, the overcharged sewers back up and flood both public and private property with water containing a high percentage of sewage. This occurs about 3 or 4 times each year and on each occasion about 200 houses are flooded. The most notorious locations are those in the intersections of Fifth and Ingraham Streets, Seventh and Hamilton Streets, and 13th and Delafield Place, where pockets or low points in the street grades cause water to pond to a depth of several feet.

You see, it is quite extensive.

Mr. VURSELL. I have no more questions.

UNITED STATES COURTS, SETTLEMENT OF CLAIMS AND SUITS, JUDGMENTS, AND AUDITED CLAIMS

Mr. WILSON. The remaining four items in your request are \$4,764 for reimbursement to United States courts, \$45,014 for the settlement of claims and suits, \$527 for judgments, and \$175,600 for the payment of audited claims. These are all items of a mandatory nature over which the Congress need exercise only minimum review.

In order that the record show the basis of each of these estimates, we will, without objection, insert pages 49, 50, 51, and 64 through 67 of the justifications in the record at this point.

(The matter referred to is as follows:)

REIMBURSEMENT TO THE UNITED STATES COURTS, DISTRICT OF COLUMBIA

Amounts available for obligation

Appropriation or estimate (obligations incurred) :

Presently available	\$1,453,746.00
Revised estimate	1,458,509.44
Difference	+4,763.44

Obligations by activities

Description	Presently available	Revised estimate	Difference
1. Judiciary	\$895,000	\$895,000.00	
2. Department of Justice	558,746	563,509.44	+\$4,763.44
Obligations incurred	1,453,746	1,458,509.44	+4,763.44

Obligations by objects

07 Other contractual services :

Presently available	\$1,453,746.00
Revised estimate	1,458,509.44
Difference	+4,763.44

JUDGMENTS, CLAIMS, AND PRIVATE RELIEF ACTS, GENERAL FUND, DISTRICT OF COLUMBIA

Amounts available for obligation

Appropriation or estimate (obligations incurred) :

Presently available	
Revised estimate	\$45,539.85
Difference	+45,539.85

Obligations by activities

Description	Presently available	Revised estimate	Difference
1. Settlement of claims		\$45,013.15	+\$45,013.15
2. Judgments		526.70	526.70
Obligations incurred		45,539.85	+45,539.85

Obligations by objects

13 Refunds, awards, and indemnities :

Presently available	
Revised estimate	\$45,539.85
Difference	+45,539.85

Audited claims

Salaries and expenses, Collector's Office, District of Columbia, 1950, refunds -----	\$9, 880. 47
Repairs and maintenance of buildings and grounds, public schools, District of Columbia, 1950 -----	35. 97
Operating expenses, Department of Corrections, District of Columbia, 1950, support of prisoners -----	164, 461. 67
Operating expenses, Division of Sanitation, Public Works, District of Columbia, 1950 -----	22. 80
Salaries and expenses, Glenn Dale Tuberculosis Sanatorium, District of Columbia, 1950 -----	203. 08
National Zoological Park, District of Columbia, 1950 -----	400. 00
Operating expenses, protective institutions, Public Welfare, District of Columbia, 1949 -----	242. 67
Operating expenses, Division of Sanitation, Public Works, District of Columbia, 1949 -----	222. 78
Salaries and expenses, agency services, Public Welfare, interstate services, District of Columbia, 1948 -----	31. 45
National Capital Parks, District of Columbia, 1947 -----	75. 00
National Capital Parks, District of Columbia, 1946 -----	23. 86

Mr. WILSON. Mr. Norrell?

Mr. NORRELL. I take it that the assignment of claims in suit by the Commissioners would depend on the act of Congress dated February 11, 1929. That is correct, sir; is it not?

Mr. WILDING. Yes, sir; as amended.

Mr. NORRELL. Off the record.

(Discussion off the record.)

BASIS FOR CLAIMS SETTLEMENT

Mr. NORRELL. Are you authorized to settle claims just because a man gets injured down here, we will say, on Connecticut Avenue, or is there an element of negligence on the part of the District of Columbia that must exist?

Mr. WILDING. There is an element of negligence on the part of the District of Columbia which must be demonstrated either by the condition having existed a long enough time to give notice, either constructive or actual notice, to the District of Columbia, and also it must be covered, sir, by decisions which have been made by the courts; and one of them is the District of Columbia is required to keep the sidewalks in a reasonably safe condition.

Mr. NORRELL. Before the Commissioners would settle a claim here, they would have to be shown to their own satisfaction beyond a reasonable doubt that the injury was caused through the negligence of the District of Columbia in some way; is that right?

Mr. WILDING. Yes, sir.

Mr. NORRELL. I notice here your statements just indicate, for instance, in the first one here:

Mrs. Helen W. Aikman. Personal injuries (broken wrist) from fall on sidewalk on east side of 34th Street NW., just south of Newark Street, on October 24, 1950.

Reading that, I do not see any negligence about that. I am not saying that there is not, but I think there should be something shown in your justification as to what the negligence of the District of Columbia was.

Mr. WILDING. We will be very glad to do it, sir, and give the full report of the Corporation Counsel, but if I may add, we assure you, sir, that in every one of these cases the most careful consideration is given by the Corporation Counsel. Every effort was made by them to determine that there was merit to the claim.

(Discussion off the record.)

Mr. NORRELL. In this tabulation you could add very briefly, just 4 or 5 words, what the negligence of the District was, and on down. You do not have to enlarge.

Mr. WILDING. What we said was "fall on sidewalk." That in effect intimates that there is a defective sidewalk.

REVENUE ESTIMATES

Mr. WILSON. Mr. Fowler, what were the revenue estimates for 1953 presented at the House hearings on the regular appropriations requests for 1953?

You might answer all three of these questions running: What are the revenue estimates for 1953 now? And, will you now explain the difference?

Mr. FOWLER. The total revenue available of all funds is \$140,504,773. That includes the highway fund, water fund, general fund, and motor vehicle parking fund.

Mr. WILSON. Mr. Fowler, can you break that down by funds, those estimates, your original estimate for 1953, and your present estimate for 1953?

Mr. FOWLER. The general fund is—

Mr. WILSON. In view of the fact that we are not going to go into that further today, you may insert that in the record, and along with that I would like you to offer an explanation as to why the difference.

Mr. FOWLER. We will do that.

(The matter referred to follows:)

District of Columbia, revenue availability, 1953

Fund	Amount available at House hearings	Present availability	Increase
General.....	\$114,434,420	\$124,101,044	\$9,666,624
Highway.....	11,363,963	12,978,075	1,614,112
Water.....	13,906,390	14,120,671	214,281
Motor vehicle parking fund.....	800,000	806,580	6,580
Total.....	140,504,773	152,006,370	11,501,597

Mr. WILSON. Thank you, gentlemen, for your presentation.

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(11)



[COMMITTEE PRINT]

NOTICE.—This report is given out subject to release when consideration of the bill which it accompanies has been completed by the whole committee. Please check on such action before release in order to be advised of any changes.

83D CONGRESS } HOUSE OF REPRESENTATIVES { REPORT
1st Session } No. _____

THIRD SUPPLEMENTAL APPROPRIATION BILL, 1953

APRIL 17, 1953.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. TABER, from the Committee on Appropriations, submitted the following

REPORT

[To accompany H. R. 46614]

The Committee on Appropriations submits the following report in explanation of the accompanying bill making appropriations to supply certain supplemental and deficiency appropriations for the fiscal year ending June 30, 1953, and for other purposes.

The estimates upon which the bill is based are contained in House Document Nos. 16, 106, and 124. The bill is divided into chapters corresponding to the subcommittees considering the estimates. The recommendations contained in the bill are a result of deliberations of the several subcommittees as approved by the full committee.

SUMMARY OF BILL

The items contained in this bill are summarized as follows:

Comparative statement of amounts of the budget estimates and of amounts recommended to be appropriated by the bill

Chapter	Department or agency	Estimates	Recommended in bill	Bill compared with estimates
I	District of Columbia.....	\$3, 871, 933	\$1, 271, 648	—\$2, 600, 285
II	Department of Agriculture.....	5, 000, 000	5, 000, 000	-----
	Total.....	5, 000, 000	5, 000, 000	-----

CHAPTER I

DISTRICT OF COLUMBIA

SUBCOMMITTEE

EARL WILSON, Indiana, *Chairman*

CHARLES W. VURSELL, Illinois
OAKLEY HUNTER, California

W. F. NORRELL, Arkansas
ANTONIO M. FERNANDEZ, New Mexico

The estimated supplemental fund requirements of the District are set forth in House Document No. 106, at a total of \$3,871,933, of which amounts the Committee recommends the appropriation of \$1,271,648, a decrease of \$2,600,285 in the estimates. The entire amounts herein reported are financed by revenues of the District of Columbia and are not derived from the Federal Treasury. The Committee's recommendation with respect to each of the detailed items follows:

FISCAL SERVICE

Salaries and expenses.—The estimate of \$100,000 is approved. This item provides for the mandatory refund of erroneous collections of taxes.

COMPENSATION AND RETIREMENT FUND EXPENSES

District Government Employees' Compensation.—The entire amount of the estimate, \$41,500, is recommended for this account which represents increases in costs of compensation granted to, and numbers of, employees injured or diseased during the course of their employment.

REGULATORY AGENCIES

SALARIES AND EXPENSES

Office of Administrator of Rent Control.—The estimate of \$17,000 is recommended, to permit the continuation of this Office through April 30, 1953. The original appropriation for fiscal year 1953 had contemplated less than ten months extension of statutory authority.

PUBLIC SCHOOLS

OPERATING EXPENSES

General Administration, Supervision and Instruction.—The Committee recommends \$60,000, a decrease of \$20,000 in the estimates. This amount is required for the payment of substitute teachers as necessary for the balance of the fiscal year. The reduction is made on the following bases:

1. The administrators of the school system have known for two successive years that the amounts set up for this purpose have been inadequate.

2. The funds for the payment of substitute teachers are a matter for administrative control and are not, as was attempted to be shown, a specific appropriation item. Administrative actions apparently were not taken to transfer funds from other administrative accounts to this purpose.

3. The average expenses within the appropriation to date do not bear out a case for the total amount requested.

VETERANS' SERVICES

The Committee recommends the amount of \$3,000, a reduction of \$2,000 in the estimates. It was apparent from the justifications and from the testimony at the hearings, that maximum effort to operate within the original amount appropriated had not been made.

OFFICE OF CIVIL DEFENSE

Salaries and expenses.—The Committee recommends disapproval of the request for equipment purchase funds of \$78,285. The items requested were similar to, and the reasons were the same as, those advanced at the hearings on the regular 1953 appropriation bill at which time all funds except administrative expense were denied.

COURTS

United States Courts.—The Committee recommends appropriation of the full amount of \$4,764 requested for reimbursement to the United States for services performed.

PUBLIC WELFARE

Saint Elizabeths Hospital.—The Committee recommends the amount of the estimate, \$824,243. This represents a billing by the Federal Security Agency for an increase in the cost of care per patient for the District of Columbia indigent insane committed to the hospital, and an increase in the average number of such patients.

PUBLIC WORKS

Capital Outlay, Sewer Division.—The Committee recommends that the item be passed over without prejudice until the hearings on the regular annual estimates for 1954, and the estimate of \$2,500,000 is therefor denied at this time.

SETTLEMENT OF CLAIMS AND SUITS, JUDGMENTS AND AUDITED CLAIMS

These three items, representing amounts of a mandatory nature, are recommended at the estimated total of \$221,141.

Comparative statement of amounts of the budget estimates and of the amounts recommended to be appropriated by the bill

H. Doc. No.	Department or agency	Estimates	Recommended in bill	Bill compared with estimates
106	CHAPTER I DISTRICT OF COLUMBIA			
	<i>Fiscal Services, salaries and expenses</i> -----	\$100, 000	\$100, 000	-----
	<i>District Government Employees' Compensation Fund</i> -----	41, 500	41, 500	-----
	<i>Office of Administrator of Rent Control</i> -----	17, 000	17, 000	-----
	<i>Public Schools: General Administration, Supervision and instruction</i> -----	80, 000	60, 000	-\$20, 000
	<i>Veterans' Services</i> -----	5, 000	3, 000	-\$2, 000
	<i>Office of Civil Defense</i> -----	78, 285	-----	-78, 285
	<i>United States Courts, 1951</i> -----	4, 764	4, 764	-----
	<i>Saint Elizabeths Hospital</i> -----	824, 243	824, 243	-----
	<i>Sewer Division, capital outlay</i> -----	2, 500, 000	-----	-\$2, 500, 000
	<i>Claims and suits</i> -----	45, 014	45, 014	-----
	<i>Judgments</i> -----	527	527	-----
	<i>Audited claims</i> -----	175, 600	175, 600	-----
	<i>Total</i> -----	3, 871, 933	1, 271, 648	-\$2, 600, 285

CHAPTER II
DEPARTMENT OF AGRICULTURE
SUBCOMMITTEE

H. CARL ANDERSEN, Minnesota, *Chairman*

WALT HORAN, Washington
OAKLEY HUNTER, California
MELVIN R. LAIRD, Wisconsin

JAMIE L. WHITTEN, Mississippi
CLARENCE CANNON, Missouri
FRED MARSHALL, Minnesota

This chapter provides for the following three supplemental requirements of the Department of Agriculture: A transfer of \$3,150,000 for preliminary work on acreage and marketing controls on wheat and cotton (House Doc. No. 124); an appropriation of \$5,000,000 for timber access roads in Montana and Idaho; (House Doc. No. 16); and an additional loan authorization of \$7,500,000 for the rural telephone program.

PRODUCTION AND MARKETING ADMINISTRATION

Agricultural production programs.—Under the Agricultural Adjustment Act of 1938, the Secretary of Agriculture is required to impose acreage allotments and marketing quotas when the total indicated supply of certain commodities exceeds normal requirements. In view of the current production outlook for 1953 crops of cotton and wheat, it now appears that acreage and marketing controls will be necessary on the 1954 crops of these commodities. The language proposed in the accompanying bill will permit the transfer of certain current year funds now in reserve to this appropriation for that part of work in formulating acreage allotments and marketing quotas which must be performed prior to July 1, 1953 in order to announce allotments on wheat next July and on cotton next October, should that become necessary as required by law.

FOREST SERVICE

Forest roads and trails.—A supplemental appropriation of \$5,000,000 is recommended in this bill to provide for construction of timber access roads in Montana and Idaho. These roads are necessary to permit the immediate salvage of badly infested, blown down and dead trees as a means of controlling a serious infestation of Engleman Spruce Bark Beetle in this area. Forest Service officials estimate that some 588 million board feet of timber valued at \$3,000,000 is already infested, and an additional 5.5 billion board feet valued at \$40,000,000 to \$50,000,000 is immediately threatened by this epidemic. An estimate of approximately \$10,000,000 for this purpose is included in the regular budget for 1954. The Committee feels, however, that funds should be made available immediately to permit the work to get underway this spring. Awarding of road construction contracts in the next few months instead of next fall will permit salvage and control operations to start nearly a full year earlier.

RURAL ELECTRIFICATION ADMINISTRATION

Rural telephone loan authorization.—Language is recommended in this bill to increase loan authorizations for the rural telephone program by \$7,500,000. The latest information furnished the Committee indicates that present telephone loan authorizations are exhausted and that over 500 applications totaling more than \$125,000,000 are now pending. The additional authorization recommended in this bill will meet only a few of the most urgent applications now pending, some of which involve options to acquire property that will be lost unless exercised by June 30 or deadlines imposed by State regulatory bodies that must be met. Since this is a continuing program, the amount authorized in this bill represents a sum which might otherwise be provided for 1954.

Comparative statement of amounts of the budget estimates and of amounts recommended to be appropriated by the bill

H. Doc. No.	Department or agency	Estimate	Recommended in bill	Bill compared with estimates
	CHAPTER II			
	DEPARTMENT OF AGRICULTURE			
124	Agricultural Production Administration-----	¹ (\$3, 150, 000)	(\$3, 150, 000)	-----
16	Forest Service, forest roads and trails-----	5, 000, 000	5, 000, 000	-----
	Rural Electrification Administration-----	(²)	³ (7, 500, 000)	(+ \$7, 500, 000)
	Total-----	5, 000, 000	5, 000, 000	-----

¹ To be derived by transfer from other appropriations available to Department of Agriculture.

² Budget estimate in Senate Document No. 24 proposed transfer of \$15,000,000 from electrification program to rural telephone program.

³ Increase in loan authorizations for rural telephone program; is not deducted from electrification program.

○

NOTICE: This bill is given out subject to release when consideration of it has been completed by the Whole Committee. Please check on such action before release in order to be advised of any changes.

[FULL COMMITTEE PRINT]

Union Calendar No.

83^D CONGRESS
1ST SESSION

H. R. 4664

[Report No.]

IN THE HOUSE OF REPRESENTATIVES

APRIL 17, 1953

Mr. TABER, from the Committee on Appropriations, reported the following bill; which was committed to the Committee of the Whole House on the State of the Union and ordered to be printed

A BILL

Making supplemental appropriations for the fiscal year ending June 30, 1953, and for other purposes.

- 1 *Be it enacted by the Senate and House of Representa-*
- 2 *tives of the United States of America in Congress assembled,*
- 3 That the following sums are appropriated, out of any money
- 4 in the Treasury not otherwise appropriated, to supply sup-
- 5 plemental appropriations for the fiscal year ending June 30,
- 6 1953, and for other purposes, namely:

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CHAPTER I

DISTRICT OF COLUMBIA

FISCAL SERVICE

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses,
Fiscal Service", \$100,000.

COMPENSATION AND RETIREMENT FUND EXPENSES

DISTRICT GOVERNMENT EMPLOYEES' COMPENSATION

For an additional amount for "District government em-
ployees' compensation", \$41,500.

REGULATORY AGENCIES

SALARIES AND EXPENSES, OFFICE OF ADMINISTRATOR OF

RENT CONTROL

For an additional amount for "Salaries and expenses,
Office of Administrator of Rent Control", \$17,000.

PUBLIC SCHOOLS

OPERATING EXPENSES

General Administration, Supervision and Instruction

For an additional amount for "General administration,
supervision and instruction", \$60,000.

VETERANS' SERVICES

For an additional amount for "Veterans' services",
\$3,000.

COURTS

UNITED STATES COURTS

For an additional amount, fiscal year 1951, for "United States courts", \$4,764.

PUBLIC WELFARE

SAINT ELIZABETHS HOSPITAL

For an additional amount for "Saint Elizabeths Hospital", \$824,243.

SETTLEMENT OF CLAIMS AND SUITS

For the payment of claims in excess of \$250, approved by the Commissioners in accordance with the provisions of the Act of February 11, 1929, as amended (45 Stat. 1160; 46 Stat. 500; 65 Stat. 131), \$45,014.

JUDGMENTS

For the payment of final judgments rendered against the District of Columbia, as set forth in House Document Numbered 106 (Eighty-third Congress), together with such further sums as may be necessary to pay the interest at not exceeding 4 per centum per annum on such judgments, as provided by law, from the date the same became due until the date of payment, \$527.

AUDITED CLAIMS

For an additional amount for the payment of claims, certified to be due by the accounting officers of the District

1 of Columbia, under appropriations the balances of which
2 have been exhausted or credited to the general fund of the
3 District of Columbia as provided by law (D. C. Code, Title
4 47, sec. 130a), being for the service of the fiscal year 1950
5 and prior fiscal years, as set forth in House Document
6 Numbered 106 (Eighty-third Congress), \$175,600.

7 DIVISION OF EXPENSES

8 The sums appropriated in this Act for the District of
9 Columbia shall, unless otherwise specifically provided for, be
10 paid out of the general fund of the District of Columbia, as
11 defined in the District of Columbia Appropriation Acts for
12 the fiscal years involved.

13 CHAPTER II

14 DEPARTMENT OF AGRICULTURE

15 PRODUCTION AND MARKETING ADMINISTRATION

16 AGRICULTURAL PRODUCTION PROGRAMS

17 For an additional amount for formulating acreage-allot-
18 ment and marketing-quota programs on wheat and cotton, to
19 be derived by transfer from any other appropriations avail-
20 able to the Department of Agriculture, \$3,150,000, of which
21 not more than \$600,000 shall be transferred to the account
22 "Administrative expenses, section 392, Agricultural Adjust-
23 ment Act of 1938".

1 FOREST SERVICE

2 FOREST ROADS AND TRAILS

3 For an additional amount for construction of timber
4 access roads to permit removal of insect-infested and insect-
5 killed trees in Montana and Idaho, \$5,000,000, to remain
6 available until expended.

7 RURAL ELECTRIFICATION ADMINISTRATION

8 LOAN AUTHORIZATIONS

9 The basic amount authorized by the Department of Agri-
10 culture Appropriation Act, 1953, to be borrowed from the
11 Secretary of the Treasury for the rural telephone program is
12 increased from “\$25,000,000” to “\$32,500,000.”

13 CHAPTER III

14 GENERAL PROVISIONS

15 SEC. 301. No part of any appropriation contained in
16 this Act, or of the funds available for expenditure by any
17 corporation included in this Act, shall be used to pay the
18 salary or wages of any person who engages in a strike
19 against the Government of the United States or who is a
20 member of an organization of Government employees that
21 asserts the right to strike against the Government of the
22 United States, or who advocates, or is a member of an or-
23 ganization that advocates, the overthrow of the Government

1 of the United States by force or violence: *Provided*, That for
2 the purposes hereof an affidavit shall be considered prima
3 facie evidence that the person making the affidavit has not
4 contrary to the provisions of this section engaged in a strike
5 against the Government of the United States, is not a member
6 of an organization of Government employees that asserts the
7 right to strike against the Government of the United States,
8 or that such person does not advocate, and is not a member
9 of an organization that advocates, the overthrow of the
10 Government of the United States by force or violence: *Pro-*
11 *vided further*, That any person who engages in a strike
12 against the Government of the United States or who is a
13 member of an organization of Government employees that
14 asserts the right to strike against the Government of the
15 United States, or who advocates, or who is a member of an
16 organization that advocates, the overthrow of the Govern-
17 ment of the United States by force or violence and accepts
18 employment the salary or wages for which are paid from any
19 appropriation or fund contained in this or any other Act shall
20 be guilty of a felony and, upon conviction, shall be fined not
21 more than \$1,000 or imprisoned for not more than one year,
22 or both: *Provided further*, That the above penalty clause

1 shall be in addition to, and not in substitution for, any other
2 provisions of existing law.

3 SEC. 302. This Act may be cited as the “Third Sup-
4 plemental Appropriation Act, 1953”.

[FULL COMMITTEE PRINT]

Union Calendar No.

83RD CONGRESS
1ST SESSION

H. R.

[Report No.]

A BILL

Making supplemental appropriations for the
fiscal year ending June 30, 1953, and for
other purposes.

By Mr. TABER

APRIL 17, 1953

Committed to the Committee of the Whole House on
the State of the Union and ordered to be printed

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

Issued April 20, 1953

For actions of April 17 & 18, 1953

83rd-1st, Nos. 67 and 68

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

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HIGHLIGHTS: House committee reported supplemental and independent-offices appropriation bill. Sens. Aiken and Ellender introduced Extension Service consolidation bill. Sens. Aiken and Holland introduced bill for emergency import control. Sen. Humphrey supported USDA beef purchases and asked sale of butter to Army. House committee approved bill excluding certain top officials from leave law.

HOUSE - April 17

1. APPROPRIATIONS. The Appropriations Committee reported without amendment the third supplemental appropriation bill, 1953. The bill includes the following items for this Department: \$3,150,000 (to be derived by transfer from any other appropriations available to the Department) to begin formulation of acreage-allotment and marketing-quota programs on wheat and cotton; \$5,000,000 for construction of timber access roads to permit removal of insect-infested and insect-killed trees in Montana and Idaho; and \$7,500,000 for the rural telephone loan program to take care of urgent cases before July 1.

The Appropriations Committee also reported without amendment the first independent offices appropriation bill, 1954. This bill includes funds for the emergency fund for the President, Budget Bureau, Civil Service Commission, General Accounting Office, General Services Administration, Interstate Commerce Commission, National Science Foundation, Tariff Commission, etc. It abolishes the Federal Personnel Council and transfers its facilities to the Office of the Executive Director, Civil Service Commission. It changes the title of the Assistant Director of the Bureau of the Budget to Deputy Director, and creates two positions as Assistant Director at \$15,000 in lieu of two positions in GS-18.

Following are excerpts from the committee report on the first independent offices appropriation bill:

Automobile purchases. "The committee has denied all requests in the estimates for authority to purchase new automobiles and has asked the Bureau of the Budget, with the cooperation of the General Services Administration, to survey the situation with a view to effecting the transfer of cars now in the possession of agencies where they are not essential, to agencies where there is a real need. Undoubtedly, there are automobiles in the possession of agencies which receive little or no use. There are also many automobiles owned by agencies

which are, or soon will be, in process of liquidation. These surplus cars should be transferred to other agencies where there is a real demand for them."

Business machines. "The committee has eliminated from the bill all money for the rental or purchase of additional electrical business machines. There are machines under contract today which are not used to their fullest capacity. The committee is requesting the General Services Administration and the General Accounting Office to make a survey of this type of equipment with a view to determining whether it is being used sufficiently to warrant continued rental or, where machines are not used full time, to submit recommendations as to the use of such equipment by other agencies, or by activities within the same agency. The committee feels that very substantial savings can be effected as a result of the action indicated."

Budget Bureau. "The committee has included \$3,412,000...for this agency which is...\$49,200 below the 1953 appropriation... in the opinion of the committee, savings in the Office of Statistical Standards could be made with less hardship than in other offices of the Bureau."

Economic Advisers Council. "This agency went out of existence on March 31..., and, therefore, no additional funds are allowed for it in this bill. The Congress has provided funds...for an economic adviser to the President..., and further appropriations for this adviser and his staff will be considered in connection with the Second Independent Offices Appropriation Bill."

Civil Service Commission. "The committee recommends \$16,064,323...which is a reduction of...\$2,639,027 less than the 1953 appropriation... The committee has inserted in the bill a provision to abolish the Federal Personnel Council... The committee is of the opinion...that the duties required of it can be performed more efficiently and with less funds in the Office of the Executive Director where it will be under the direct supervision of the Chairman, rather than as a separate unit..."

Retirement and disability fund: "The question of whether or not a government should create and maintain a 'fund' to support such trusts as, in this case, Civil Service retirement, has been a matter of discussion for a long time. The committee feels, and in this it is supported by the opinions of nationally known accountants and actuaries, that the handling of trusts in government is necessarily different from that of similar trusts in industry. Such a fund, in industry, to be actuarially sound, must be prepared for the liquidation of the industry at any reasonable time. Government cannot, and should not, operate on any such presumption. Government, with its taxing power, should operate on a pay-as-you-go basis, for such expenditures as these retirement costs... The committee has denied the item...for payment of interest...and the item...representing the government's share of the payments into the fund..."

General Accounting Office. "The committee extends its sincere appreciation to Comptroller General Warren and his able staff for the splendid work that it is doing in all phases of Federal auditing and accounting. This year, more than ever before, the General Accounting Office has been of real assistance to the committee in its examination of budget estimates for the fiscal year 1954. The GAO staff has made numerous investigations, reports and recommendations to the committee... The bill contains \$31,981,000...which is a reduction of \$19,000 in the budget estimate" (for business machines).

Buildings. "The committee is of the opinion that the sum requested for the costs of operating expenses of public buildings is excessive and that such buildings should be operated at a very substantial reduction. It has, therefore, recommended a total reduction of \$19,412,560 in this activity." "...the committee has disallowed all funds in the estimates for those duties on the part of Public Buildings Service

which are normally performed by an architect who assumes such costs in his regular commission." "The committee has disallowed all estimates for the acquisition of additional space but has allowed the full amount requested for removing existing agencies to space more appropriate for their needs. The General Services Administration and the Agencies interested in the rental of space in Washington and other areas throughout the country should make a careful survey of additional space which will become available as activities are liquidated or eliminated and it is the opinion of the committee that in many instances the demand for space can be met through utilization of this space and with substantial savings to the government."

Interstate Commerce Commission. "The committee wishes to point out the urgent need for reorganization of this agency. Many additional activities have been assigned to it... During that period there has been no substantial reorganization..."

National Science Foundation. "The committee is much interested in the coordination and elimination of duplication in connection with all scientific research work. It requests the National Science Foundation, during the fiscal year 1954, to exert every effort to assist in the coordination of all Federal research, including the elimination of duplication. In the opinion of the committee, a definite showing of substantial savings in this connection would encourage the Congress to consider the provision of additional funds for scientific research. The bill contains \$5,724,400 for this agency which is a reduction of \$9,275,600 in the estimate, and an increase of \$974,400 in the 1953 appropriation."

2. PERSONNEL; LEAVE. The Post Office and Civil Service Committee ordered reported (but did not actually report) H. R. 4654, excluding certain top officials from the Annual and Sick Leave Act of 1951 (p. D282).

SENATE - April 17

3. SUBMERGED LANDS. Continued debate on S. J. Res. 13, to establish State title to submerged lands (pp. 3355-60, 3369-96).

4. FLOOD CONTROL. The Public Works Committee reported with amendments S. 117, to amend Sec. 7 of the Flood Control Act of 1941, relating to apportioning money received on account of leasing of lands acquired for flood-control purposes (S. Rept. 151)(p. 3362).

5. NOMINATION. Received the nomination of Edmund F. Mansure to be GSA Administrator (p. 3398).

6. FOOD PURCHASES. Sen. Humphrey spoke favoring USDA's recent purchases of surplus beef for export to Greece and donation to the school lunch program, and the Department's proposal to sell surplus butter to the Army (pp. 3368-9).

7. REPORTS. Received this Department's report on obligations incurred in excess of amounts permitted by the administrative regulations, the report on GAO operations during the fiscal year 1952, and GAO's report on the Bureau of Land Management (p. 3360).

SENATE - April 18

8. SUBMERGED LANDS. Continued debate on S. J. Res. 13 (pp. 3408-32).

9. NOMINATION of Frederick J. Lawton to be a Civil Service Commissioner was confirmed (p. 3434).

10. FOREIGN AID; WHEAT. Sen. Humphrey inserted a newspaper article, 3 letters written by him to Secretaries Benson and Dulles and Mr. Stassen, and his statement urging "immediate emergency action toward sharing America's wheat abundance to avert the threat of mass starvation in Pakistan" (pp. 3432-4).

BILLS INTRODUCED

11. RECLAMATION. S. 1669, by Rep. Barrett, to provide that the excess-land provisions of the Federal reclamation laws shall not apply to lands in the Owl Creek unit of the Missouri Basin project; to Interior and Insular Affairs Committee (p. 3362).
12. EXTENSION SERVICE. S. 1679, by Sen. Aiken (for himself and Sen. Ellender), to consolidate extension-service authorizations; to Agriculture and Forestry Committee (p. 3362).
13. IMPORT CONTROL. S. 1680, by Sen. Aiken (for himself and Sen. Holland), to provide for emergency action under Sec. 22 of the Agricultural Adjustment Act; to Agriculture and Forestry Committee (p. 3362).
14. PERSONNEL. S. 1684, by Sen. Carlson, to facilitate civil-service appointment persons who lost opportunity therefor because of service in the Armed Forces after June 30, 1950, and to provide certain benefits upon appointment; to Post Office and Civil Service Committee (p. 3407).
S. 1688, by Sen. Johnston (for himself and Sen. Cooper), to amend the Civil Service Retirement Act; to Post Office and Civil Service Committee (p. 3407).
15. FORESTRY. S. 1686, by Sen. Hunt, directing the Secretary of Agriculture to convey a tract of land out of the Teton National Forest, Wyo., to Thomas Guilfoyle Huff in exchange for a tract of land adjacent thereto owned by said person; to Agriculture and Forestry Committee (p. 3407). Remarks of author (p. 3407).

ITEMS IN APPENDIX

16. SCHOOL LUNCH PROGRAM. Sen. Kennedy inserted his letter to the President opposing the recent reduction in the school-lunch estimates for 1954 (p. A2086).
17. PRICE SUPPORTS. Sen. Welker inserted an American Cattle Producer article stating that cattlemen are opposed to price supports and are backing up the Secretary "in his attitude of less Government support and more private enterprise" (pp. A2093-4).
18. TARIFFS. Extension of remarks of Rep. Keating favoring the President's request for continuation of the Reciprocal Trade Agreements Act for 1 year (pp. A2095-6).

COMMITTEE HEARING ANNOUNCEMENTS FOR APR. 20: Farm exports-imports, S. Agriculture and Forestry (State Dept. and Farmers' Union to testify). Fertilizer imports and supply, H. Agriculture (Taylor and Porter, PMA, to testify). Maryland tobacco price supports, H. Rules.

THIRD SUPPLEMENTAL APPROPRIATION BILL, 1953

APRIL 17, 1953.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. TABER, from the Committee on Appropriations, submitted the following

REPORT

[To accompany H. R. 4664]

The Committee on Appropriations submits the following report in explanation of the accompanying bill making appropriations to supply certain supplemental and deficiency appropriations for the fiscal year ending June 30, 1953, and for other purposes.

The estimates upon which the bill is based are contained in House Document Nos. 16, 106, and 124. The bill is divided into chapters corresponding to the subcommittees considering the estimates. The recommendations contained in the bill are a result of deliberations of the several subcommittees as approved by the full committee.

SUMMARY OF BILL

The items contained in this bill are summarized as follows:

Comparative statement of amounts of the budget estimates and of amounts recommended to be appropriated by the bill

Chapter	Department or agency	Estimates	Recommended in bill	Bill compared with estimates
I	District of Columbia-----	\$3, 871, 933	\$1, 271, 648	—\$2, 600, 285
II	Department of Agriculture-----	5, 000, 000	5, 000, 000	-----
	Total-----	5, 000, 000	5, 000, 000	-----

CHAPTER I

DISTRICT OF COLUMBIA

SUBCOMMITTEE

EARL WILSON, Indiana, *Chairman*

CHARLES W. VURSELL, Illinois
OAKLEY HUNTER, California

W. F. NORRELL, Arkansas
ANTONIO M. FERNANDEZ, New Mexico

The estimated supplemental fund requirements of the District are set forth in House Document No. 106, at a total of \$3,871,933, of which amounts the Committee recommends the appropriation of \$1,271,648, a decrease of \$2,600,285 in the estimates. The entire amounts herein reported are financed by revenues of the District of Columbia and are not derived from the Federal Treasury. The Committee's recommendation with respect to each of the detailed items follows:

FISCAL SERVICE

Salaries and expenses.—The estimate of \$100,000 is approved. This item provides for the mandatory refund of erroneous collections of taxes.

COMPENSATION AND RETIREMENT FUND EXPENSES

District Government Employees' Compensation.—The entire amount of the estimate, \$41,500, is recommended for this account which represents increases in costs of compensation granted to, and numbers of, employees injured or diseased during the course of their employment.

REGULATORY AGENCIES

SALARIES AND EXPENSES

Office of Administrator of Rent Control.—The estimate of \$17,000 is recommended, to permit the continuation of this Office through April 30, 1953. The original appropriation for fiscal year 1953 had contemplated less than ten months extension of statutory authority.

PUBLIC SCHOOLS

OPERATING EXPENSES

General Administration, Supervision and Instruction.—The Committee recommends \$60,000, a decrease of \$20,000 in the estimates. This amount is required for the payment of substitute teachers as necessary for the balance of the fiscal year. The reduction is made on the following bases:

1. The administrators of the school system have known for two successive years that the amounts set up for this purpose have been inadequate.

2. The funds for the payment of substitute teachers are a matter for administrative control and are not, as was attempted to be shown, a specific appropriation item. Administrative actions apparently were not taken to transfer funds from other administrative accounts to this purpose.

3. The average expenses within the appropriation to date do not bear out a case for the total amount requested.

VETERANS' SERVICES

The Committee recommends the amount of \$3,000, a reduction of \$2,000 in the estimates. It was apparent from the justifications and from the testimony at the hearings, that maximum effort to operate within the original amount appropriated had not been made.

OFFICE OF CIVIL DEFENSE

Salaries and expenses.—The Committee recommends disapproval of the request for equipment purchase funds of \$78,285. The items requested were similar to, and the reasons were the same as, those advanced at the hearings on the regular 1953 appropriation bill at which time all funds except administrative expense were denied.

COURTS

United States Courts.—The Committee recommends appropriation of the full amount of \$4,764 requested for reimbursement to the United States for services performed.

PUBLIC WELFARE

Saint Elizabeths Hospital.—The Committee recommends the amount of the estimate, \$824,243. This represents a billing by the Federal Security Agency for an increase in the cost of care per patient for the District of Columbia indigent insane committed to the hospital, and an increase in the average number of such patients.

PUBLIC WORKS

Capital Outlay, Sewer Division.—The Committee recommends that the item be passed over without prejudice until the hearings on the regular annual estimates for 1954, and the estimate of \$2,500,000 is therefor denied at this time.

SETTLEMENT OF CLAIMS AND SUITS, JUDGMENTS AND AUDITED CLAIMS

These three items, representing amounts of a mandatory nature, are recommended at the estimated total of \$221,141.

Comparative statement of amounts of the budget estimates and of the amounts recommended to be appropriated by the bill

H. Doc. No.	Department or agency	Estimates	Recommended in bill	Bill compared with estimates
106	CHAPTER I			
	DISTRICT OF COLUMBIA			
	Fiscal Services, salaries and expenses-----	\$100, 000	\$100, 000	-----
	District Government Employees' Compensation Fund-----	41, 500	41, 500	-----
	Office of Administrator of Rent Control-----	17, 000	17, 000	-----
	Public Schools: General Administration, Supervision and instruction-----	80, 000	60, 000	---\$20, 000
	Veterans' Services-----	5, 000	3, 000	---2, 000
	Office of Civil Defense-----	78, 285	-----	---78, 285
	United States Courts, 1951-----	4, 764	4, 764	-----
	Saint Elizabeths Hospital-----	824, 243	824, 243	-----
	Sewer Division, capital outlay-----	2, 500, 000	-----	---2, 500, 000
	Claims and suits-----	45, 014	45, 014	-----
	Judgments-----	527	527	-----
	Audited claims-----	175, 600	175, 600	-----
Total-----		3, 871, 933	1, 271, 648	---2, 600, 285

CHAPTER II
DEPARTMENT OF AGRICULTURE
SUBCOMMITTEE

H. CARL ANDERSEN, Minnesota, *Chairman*

WALT HORAN, Washington
OAKLEY HUNTER, California
MELVIN R. LAIRD, Wisconsin

JAMIE L. WHITTEN, Mississippi
CLARENCE CANNON, Missouri
FRED MARSHALL, Minnesota

This chapter provides for the following three supplemental requirements of the Department of Agriculture: A transfer of \$3,150,000 for preliminary work on acreage and marketing controls on wheat and cotton (House Doc. No. 124); an appropriation of \$5,000,000 for timber access roads in Montana and Idaho (House Doc. No. 16); and an additional loan authorization of \$7,500,000 for the rural telephone program.

PRODUCTION AND MARKETING ADMINISTRATION

Agricultural production programs.—Under the Agricultural Adjustment Act of 1938, the Secretary of Agriculture is required to impose acreage allotments and marketing quotas when the total indicated supply of certain commodities exceeds normal requirements. In view of the current production outlook for 1953 crops of cotton and wheat, it now appears that acreage and marketing controls will be necessary on the 1954 crops of these commodities. The language proposed in the accompanying bill will permit the transfer of certain current year funds now in reserve to this appropriation for that part of work in formulating acreage allotments and marketing quotas which must be performed prior to July 1, 1953 in order to announce allotments on wheat next July and on cotton next October, should that become necessary as required by law.

FOREST SERVICE

Forest roads and trails.—A supplemental appropriation of \$5,000,000 is recommended in this bill to provide for construction of timber access roads in Montana and Idaho. These roads are necessary to permit the immediate salvage of badly infested, blown down and dead trees as a means of controlling a serious infestation of Engleman Spruce Bark Beetle in this area. Forest Service officials estimate that some 588 million board feet of timber valued at \$3,000,000 is already infested, and an additional 5.5 billion board feet valued at \$40,000,000 to \$50,000,000 is immediately threatened by this epidemic. An estimate of approximately \$10,000,000 for this purpose is included in the regular budget for 1954. The Committee feels, however, that funds should be made available immediately to permit the work to get underway this spring. Awarding of road construction contracts in the next few months instead of next fall will permit salvage and control operations to start nearly a full year earlier.

RURAL ELECTRIFICATION ADMINISTRATION

Rural telephone loan authorization.—Language is recommended in this bill to increase loan authorizations for the rural telephone program by \$7,500,000. The latest information furnished the Committee indicates that present telephone loan authorizations are exhausted and that over 500 applications totaling more than \$125,000,000 are now pending. The additional authorization recommended in this bill will meet only a few of the most urgent applications now pending, some of which involve options to acquire property that will be lost unless exercised by June 30 or deadlines imposed by State regulatory bodies that must be met. Since this is a continuing program, the amount authorized in this bill represents a sum which might otherwise be provided for 1954.

Comparative statement of amounts of the budget estimates and of amounts recommended to be appropriated by the bill

H. Doc. No.	Department or agency	Estimate	Recommended in bill	Bill compared with estimates
	CHAPTER II			
	DEPARTMENT OF AGRICULTURE			
124	Agricultural Production Administration.....	¹ (\$3, 150, 000)	(\$3, 150, 000)	-----
16	Forest Service, forest roads and trails.....	5, 000, 000	5, 000, 000	-----
	Rural Electrification Administration.....	(²)	³ (7, 500, 000)	(+ \$7, 500, 000)
	Total.....	5, 000, 000	5, 000, 000	-----

¹ To be derived by transfer from other appropriations available to Department of Agriculture.

² Budget estimate in Senate Document No. 24 proposed transfer of \$15,000,000 from electrification program to rural telephone program.

³ Increase in loan authorizations for rural telephone program; is not deducted from electrification program.

○

Union Calendar No. 82

83^d CONGRESS
1ST SESSION

H. R. 4664

[Report No. 277]

IN THE HOUSE OF REPRESENTATIVES

APRIL 17, 1953

Mr. TABER, from the Committee on Appropriations, reported the following bill; which was committed to the Committee of the Whole House on the State of the Union and ordered to be printed

A BILL

Making supplemental appropriations for the fiscal year ending June 30, 1953, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the following sums are appropriated, out of any money
4 in the Treasury not otherwise appropriated, to supply sup-
5 plemental appropriations for the fiscal year ending June 30,
6 1953, and for other purposes, namely:

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CHAPTER I

DISTRICT OF COLUMBIA

FISCAL SERVICE

SALARIES AND EXPENSES

For an additional amount for “Salaries and expenses,
Fiscal Service”, \$100,000.

COMPENSATION AND RETIREMENT FUND EXPENSES

DISTRICT GOVERNMENT EMPLOYEES’ COMPENSATION

For an additional amount for “District government em-
ployees’ compensation”, \$41,500.

REGULATORY AGENCIES

SALARIES AND EXPENSES, OFFICE OF ADMINISTRATOR OF RENT CONTROL

For an additional amount for “Salaries and expenses,
Office of Administrator of Rent Control”, \$17,000.

PUBLIC SCHOOLS

OPERATING EXPENSES

General Administration, Supervision and Instruction

For an additional amount for “General administration,
supervision and instruction”, \$60,000.

VETERANS’ SERVICES

For an additional amount for “Veterans’ services”,
\$3,000.

1 COURTS

2 UNITED STATES COURTS

3 For an additional amount, fiscal year 1951, for "United
4 States courts", \$4,764.

5 PUBLIC WELFARE

6 SAINT ELIZABETHS HOSPITAL

7 For an additional amount for "Saint Elizabeths Hospi-
8 tal", \$824,243.

9 SETTLEMENT OF CLAIMS AND SUITS

10 For the payment of claims in excess of \$250, approved
11 by the Commissioners in accordance with the provisions
12 of the Act of February 11, 1929, as amended (45 Stat.
13 1160; 46 Stat. 500; 65 Stat. 131), \$45,014.

14 JUDGMENTS

15 For the payment of final judgments rendered against
16 the District of Columbia, as set forth in House Document
17 Numbered 106 (Eighty-third Congress), together with such
18 further sums as may be necessary to pay the interest at not
19 exceeding 4 per centum per annum on such judgments, as
20 provided by law, from the date the same became due until
21 the date of payment, \$527.

22 AUDITED CLAIMS

23 For an additional amount for the payment of claims,
24 certified to be due by the accounting officers of the District

1 of Columbia, under appropriations the balances of which
2 have been exhausted or credited to the general fund of the
3 District of Columbia as provided by law (D. C. Code, Title
4 47, sec. 130a), being for the service of the fiscal year 1950
5 and prior fiscal years, as set forth in House Document
6 Numbered 106 (Eighty-third Congress), \$175,600.

7 DIVISION OF EXPENSES

8 The sums appropriated in this Act for the District of
9 Columbia shall, unless otherwise specifically provided for, be
10 paid out of the general fund of the District of Columbia, as
11 defined in the District of Columbia Appropriation Acts for
12 the fiscal years involved.

13 CHAPTER II

14 DEPARTMENT OF AGRICULTURE

15 PRODUCTION AND MARKETING ADMINISTRATION

16 AGRICULTURAL PRODUCTION PROGRAMS

17 For an additional amount for formulating acreage-allot-
18 ment and marketing-quota programs on wheat and cotton, to
19 be derived by transfer from any other appropriations avail-
20 able to the Department of Agriculture, \$3,150,000, of which
21 not more than \$600,000 shall be transferred to the account
22 "Administrative expenses, section 392, Agricultural Adjust-
23 ment Act of 1938".

1 FOREST SERVICE

2 FOREST ROADS AND TRAILS

3 For an additional amount for construction of timber
4 access roads to permit removal of insect-infested and insect-
5 killed trees in Montana and Idaho, \$5,000,000, to remain
6 available until expended.

7 RURAL ELECTRIFICATION ADMINISTRATION

8 LOAN AUTHORIZATIONS

9 The basic amount authorized by the Department of Agri-
10 culture Appropriation Act, 1953, to be borrowed from the
11 Secretary of the Treasury for the rural telephone program is
12 increased from "\$25,000,000" to "\$32,500,000."

13 CHAPTER III

14 GENERAL PROVISIONS

15 SEC. 301. No part of any appropriation contained in
16 this Act, or of the funds available for expenditure by any
17 corporation included in this Act, shall be used to pay the
18 salary or wages of any person who engages in a strike
19 against the Government of the United States or who is a
20 member of an organization of Government employees that
21 asserts the right to strike against the Government of the
22 United States, or who advocates, or is a member of an or-
23 ganization that advocates, the overthrow of the Government

1 of the United States by force or violence: *Provided*, That for
2 the purposes hereof an affidavit shall be considered prima
3 facie evidence that the person making the affidavit has not
4 contrary to the provisions of this section engaged in a strike
5 against the Government of the United States, is not a member
6 of an organization of Government employees that asserts the
7 right to strike against the Government of the United States,
8 or that such person does not advocate, and is not a member
9 of an organization that advocates, the overthrow of the
10 Government of the United States by force or violence: *Pro-*
11 *vided further*, That any person who engages in a strike
12 against the Government of the United States or who is a
13 member of an organization of Government employees that
14 asserts the right to strike against the Government of the
15 United States, or who advocates, or who is a member of an
16 organization that advocates, the overthrow of the Govern-
17 ment of the United States by force or violence and accepts
18 employment the salary or wages for which are paid from any
19 appropriation or fund contained in this or any other Act shall
20 be guilty of a felony and, upon conviction, shall be fined not
21 more than \$1,000 or imprisoned for not more than one year,
22 or both: *Provided further*, That the above penalty clause

1 shall be in addition to, and not in substitution for, any other
2 provisions of existing law.

3 SEC. 302. This Act may be cited as the “Third Sup-
4 plemental Appropriation Act, 1953”.

83^d CONGRESS
1ST SESSION

H. R. 4664

[Report No. 277]

A BILL

Making supplemental appropriations for the
fiscal year ending June 30, 1953, and for
other purposes.

By Mr. TABER

APRIL 17, 1953

Committed to the Committee of the Whole House on
the State of the Union and ordered to be printed

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued April 23, 1953
For actions of April 22, 1953
83rd-1st, No. 71

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HIGHLIGHTS: House passed 3rd supplemental appropriation bill with REA item stricken on point of order, and 1st independent offices appropriation bill, rejecting amendment to restore item for civil-service retirement fund. Senate committee voted to report resolution for consolidated appropriation bill. House committee reported bill to exempt certain top officials from leave system.

HOUSE

1. APPROPRIATIONS. Passed with amendment H. R. 4664, the third supplemental appropriation bill, 1953 (pp. 3687-8). A point of order by Rep. Coudert, against the rural-telephone loans item, was sustained (p. 3688). For other items in this bill, see Digest 67.
Passed with amendment H. R. 4663, the first independent offices appropriation bill, 1954 (pp. 3645-87). Rejected, 84-143, an amendment by Rep. Miller, Calif., to restore the \$368,154,000 for the civil service retirement and disability fund (pp. 3645-9). Rejected, 38-132, an amendment by Rep. Williams, Miss., prohibiting salary payments in excess of congressional salaries to persons (except the President) covered by the bill (pp. 3683-5). Rep. Priest, in discussing the National Science Foundation cut, said this agency would still be authorized to receive funds from other Government research agencies (p. 3681).
2. PERSONNEL. The Post Office and Civil Service Committee reported with amendment H. R. 4654, to exempt certain major officials from the Annual and Sick Leave Act of 1951 (H. Rept. 309)(p. 3689).
3. WILDLIFE CONSERVATION. The Interior and Insular Affairs Committee reported with amendment H. R. 1571, to permit appointment of Federal or Territorial employees to the Alaska Game Commission if no others are available (H. Rept. 307)(p.3689).
4. DAYLIGHT-SAVING TIME. A subcommittee of the Judiciary Committee voted to report to the full committee (without recommendation) S. 1419 and H. R. 1391, authorizing the D. C. Commissioners to establish daylight-saving time in D. C.; and H. R. 4363, authorizing the President to establish daylight-saving time each year in D. C. (p. D304).

SENATE

5. SUBMERGED LANDS. Continued debate on S. J. Res. 13, to establish State title to submerged lands (pp. 3691-2, 3697-741).
6. APPROPRIATIONS. The Rules and Administration Committee ordered favorably reported (but did not actually report) S. Con. Res. 8, providing for a consolidated general appropriation bill (p. D303).
7. WATER UTILIZATION. Sen. Morse inserted an Oreg. Legislature resolution urging "continued orderly development of the Columbia River and its tributaries" (p. 3693).

BILLS INTRODUCED

8. OLEOMARGARINE. H. R. 4766, by Rep. Bates, to amend the Navy ration statute so as to provide for the serving of oleomargarine or margarine; to Armed Services Committee (p. 3689).
9. FARM LOANS. H. R. 4768, by Rep. Curtis, Nebr., to amend the National Housing Act to authorize insurance of loans made to finance deep well irrigation systems; to Banking and Currency Committee (p. 3689).
10. PERSONNEL. H. R. 4773, by Rep. Kearney, to simplify and consolidate laws regarding dual employment; to Post Office and Civil Service Committee (p. 3689).
11. RECLAMATION. H. R. 4788, by Rep. Young, to facilitate the development of small reclamation projects; to Interior and Insular Affairs Committee (p. 3690).
S. 1719, by Sen. Martin, to rescind the authorization of the Libby Dam project; to Public Works Committee (p. 3694). Remarks of author (p. 3695).
by Sen. Murray,
12. WATER-FACILITIES LOANS. S. 1727, to increase and revise the limitation on aid under the Water Facilities Act; to Agriculture and Forestry Committee (p. 3694).
13. EXTENSION SERVICE. H. R. 4789, by Rep. Albert, to consolidate Extension Service authorizations; to Agriculture Committee (p. 3690).
14. PUBLIC LANDS; RESEARCH. H. R. 4792, by Rep. Jarman, to provide for an Army cemetery on USDA lands at Fort Reno, Okla.; to Agriculture Committee (p. 3690).
15. HOLIDAY. H. J. Res. 245, by Rep. Bosch, declaring Inauguration Day a legal holiday; to Judiciary Committee (p. 3690).

ITEMS IN APPENDIX

16. TREATIES. Rep. Busbey inserted Sen. Bricker's recent statement and Frank E. Holman's address before DAR discussing the dangers of the treaty law to the sovereignty of the U. S. (pp. A2205-11).
17. BUDGETING; EXPENDITURES. Rep. Coudert inserted Roswell Magill's statement before the House Government Operations Committee favoring H. R. 2, to attain a balanced budget for the fiscal year 1954 by limiting expenditures to anticipated revenues (pp. A2212-3).
18. ST. LAWRENCE SEAWAY. Rep. Van Zandt inserted a Philadelphia Bulletin article claiming that Canadian officials now favor constructing this project without U. S. participation (p. A2221).

Jonas, Ill.	Norrell	Small
Jonas, N. C.	Oakman	Smith, Kans.
Jones, Mo.	O'Hara, Minn.	Smith, Miss.
Jones, N. C.	Osmers	Smith, Va.
Kearney	Ostertag	Smith, Wis.
Kearns	Passman	Springer
Keating	Ratten	Staufier
Kilburn	PeNy	Stringfellow
Kilday	Phillips	Taber
Krueger	Pillion	Talle
Laird	Poage	Thomas
Latham	Poff	Thompson, La.
LeCompte	Poulson	Thompson, Mich.
Long	Prouty	Thompson, Tex.
Lovre	Radwan	Tuck
Lucas	Ray	Utt
Lyle	Reece, Tenn.	Van Pelt
McConnell	Reed, Ill.	Van Zandt
McDonough	Reed, N. Y.	Velde
McGregor	Rees, Kans.	Vorys
McIntire	Rhodes, Ariz.	Vursell
McMillan	Richards	Wainwright
McVey	Riehman	Wampler
Mack, Wash.	Rivers	Warburton
Mahon	Robeson, Va.	Weichel
Martin, Iowa	Robson, Ky.	Westland
Mason	Rogers, Fla.	Wharton
Matthews	Rogers, Tex.	Wheeler
Meador	St. George	Whitten
Merrill	Schenck	Wickersham
Morrow	Scherer	Williams, Miss.
Miller, Md.	Scrivner	Williams, N. Y.
Miller, Nebr.	Scudder	Willis
Miller, N. Y.	Selden	Wilson, Calif.
Mills	Shafer	Wilson, Ind.
Mumma	Sheehan	Wilson, Tex.
Murray	Short	Winstead
Neal	Shuford	Wolcott
Nelson	Sikes	Young
Nicholson	Simpson, Ill.	Younger
Norblad	Simpson, Pa.	

NOT VOTING—30

Barrett	Jackson	Patman
Brooks, La.	Judd	Rabaut
Brown, Ohio	Karsten, Mo.	Regan
Davis, Tenn.	Keogh	Riley
Dingell	King, Pa.	Rooney
Donovan	Knox	Staggers
Edmondson	McCulloch	Steed
Hart	Mollohan	Taylor
Hill	Multer	Teague
Hull	O'Konski	Walter

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Patman for, with Mr. Jackson against.
Mr. Walter for, with Mr. Brown of Ohio against.

Mr. Rabaut for, with Mr. McCulloch against.

Mr. Multer for, with Mr. Riley against.

Mr. Rooney for, with Mr. Taylor against.

Mr. Judd for, with Mr. King of Pennsylvania against.

Mr. Barrett for, with Mr. Teague against.

Mr. Karsten of Missouri for, with Mr. Regan against.

Until further notice:

Mr. O'Konski with Mr. Keogh.

Mr. Hill with Mr. Staggers.

Mr. Knox with Mr. Hart.

Mr. Hull with Mr. Dingell.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

SPECIAL ORDER GRANTED

Mr. PRICE asked and was given permission to address the House for 5 minutes tomorrow, following the legislative program and any special orders heretofore entered.

PERSONAL EXPLANATION

Mr. WEICHEL. Mr. Speaker, I ask unanimous consent that the RECORD show that I was absent on account of illness on April 15, 1953, on rollcalls 23 and 24.

The SPEAKER. Is there objection to the request of the gentleman from Ohio? There was no objection.

DISTRICT OF COLUMBIA
COMMITTEE

Mr. SIMPSON of Illinois. Mr. Speaker, I ask unanimous consent that the Committee on the District of Columbia may have until midnight Friday to file a report.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

GENERAL LEAVE TO EXTEND

Mr. PHILLIPS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to extend their remarks on the independent offices appropriation bill.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

THIRD SUPPLEMENTAL APPROPRIATION BILL, 1953

Mr. TABER. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 4664) making supplemental appropriations for the fiscal year ending June 30, 1953, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to 20 minutes, to be equally divided and controlled by the gentleman from Missouri [Mr. CANNON] and myself.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from New York.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 4664, with Mr. BYRNES of Wisconsin in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. TABER. Mr. Chairman, I yield 5 minutes to the gentleman from Indiana [Mr. WILSON].

Mr. WILSON of Indiana. Mr. Chairman, chapter 1 of this bill pertains to supplemental appropriations for the District of Columbia. There were 12 items requested totaling \$3,871,933. The committee recommends 10 items totaling \$1,271,648, which amounts to a 68-per-

cent cut. All except 3 of the items recommended are mandatory in nature. These mandatory items are:

Fiscal services, for refund of erroneous collections, \$100,000.

District Government Employees' Compensation Fund, \$41,500.

United States courts for reimbursement for services rendered, \$4,764.

St. Elizabeths Hospital, for care of the indigent insane, \$824,243.

Claims, suits, and judgments, totaling \$221,141.

Of a requested \$3,871,933 the Committee on Appropriations deferred, without prejudice, action on one item for continuation of a sewer project.

I wish to congratulate the members of the subcommittee for a good job on this bill, and I recommend that the Congress appropriate the amounts reported.

[Mr. CANNON addressed the Committee. His remarks will appear hereafter in the Appendix.]

Mr. TABER. Mr. Chairman, I yield 5 minutes to the gentleman from Minnesota [Mr. H. CARL ANDERSEN].

Mr. H. CARL ANDERSEN. Mr. Chairman, as the gentleman from Missouri [Mr. CANNON] has well said, the Department of Agriculture requests are split into three items. One of them has to do with the transfer of \$3,150,000 from funds now impounded by the Department of Agriculture. These funds will be used to get ready for the coming acreage control and marketing quotas which are in sight as of July 1 for wheat and as of October 1 for cotton. It is necessary to get busy this spring in preparation for the announcement on wheat, especially, as of July 1 of this year to take care of the next crop year, 1954.

The second item has to do with the Forest Service. The very serious situation in western Montana and Idaho which exists has been called to our attention. The administration has asked us to make available for fiscal 1954 \$9,950,000, approximately, for the construction of access roads into this area which is being threatened by the spruce bark beetle. The only question before the committee and the Congress today is whether or not it is good business to put up \$5,000,000 of that amount now and make this available so that the Forest Service can get to work and start construction of those access roads this spring, and in that way get a year ahead on this problem, and save as much as possible of this good timber.

The third item has to do with making available an additional \$7,500,000 in loans for the rural telephone program.

This constitutes practically what is in this bill for agriculture. I may say that the Subcommittee on Appropriations for Agriculture is in complete agreement on this bill.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield.

Mr. MILLER of Nebraska. Does the item for REA loans include telephone loans?

Mr. H. CARL ANDERSEN. It is for telephone loans exclusively for the Rural Electrification Administration. This is \$7,500,000 in addition to the \$25,000,000 in 1953, to take care of the urgent cases which have been called to the attention of the subcommittee. This additional loan authorization requested is very much needed. If I could personally do so, I would insert \$25 million here. We must and should push our telephone program as rapidly as is consistent with good business practice.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

DIVISION OF EXPENSES

The sums appropriated in this act for the District of Columbia shall, unless otherwise specifically provided for, be paid out of the general fund of the District of Columbia, as defined in the District of Columbia Appropriation Acts for the fiscal years involved.

[Mr. WHITTEN addressed the Committee. His remarks will appear hereafter in the Appendix.]

The Clerk read as follows:

RURAL ELECTRIFICATION ADMINISTRATION

Loan authorizations

The basic amount authorized by the Department of Agriculture Appropriation Act, 1953, to be borrowed from the Secretary of the Treasury for the rural-telephone program is increased from "\$25 million" to "\$32,500,000."

Mr. COUDERT. Mr. Chairman, I make a point of order against the language on page 5, from line 7 through line 12. Mr. Chairman, on its face the language is out of order because it clearly amends existing law, and, therefore, is legislation upon an appropriation bill.

Mr. H. CARL ANDERSEN. Mr. Chairman, may I be heard on the point of order?

The CHAIRMAN. The gentleman may proceed.

Mr. H. CARL ANDERSEN. Mr. Chairman, I believe the point of order is clearly out of order. The language which the subcommittee has placed in the bill simply increases the amount of authorization for these particular loans, and in my opinion, it is perfectly in order as we have written it in the bill.

The CHAIRMAN. Does the gentleman from New York [Mr. TABER] desire to be heard on this point of order?

Mr. TABER. I do not, Mr. Chairman.

The CHAIRMAN (Mr. BYRNES of Wisconsin). The Chair is ready to rule. The gentleman from New York [Mr. COUDERT] makes a point of order that the language of this paragraph is legislation on an appropriation bill. It is apparent from a reading of the language that a change is made in the basic act of the Department of Agriculture Appropriation Act of 1953. The Chair sustains the point of order.

The Clerk concluded the reading of the bill.

Mr. TABER. Mr. Speaker, I move that the Committee do now rise and report the bill back to the House with the recommendation that the bill do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BYRNES of Wisconsin, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 4664), making supplemental appropriations for the fiscal year ending June 30, 1953, and for other purposes, directed him to report the same back to the House, with the recommendation that the bill do pass.

Mr. TABER. Mr. Speaker, I move the previous question.

The previous question was ordered.

Mr. H. CARL ANDERSEN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. H. CARL ANDERSEN. Would it be possible for the subcommittee to obtain 5 minutes at this point to prepare a motion to recommit, to take care of the point of order which struck out the telephone program?

The SPEAKER. The previous question has already been ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

COMMITTEE ON EDUCATION AND LABOR

Mr. HALLECK. Mr. Speaker, I offer a resolution, House Resolution 216, and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That during the remainder of the 83d Congress the Committee on Education and Labor shall be composed of 28 members.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

HOUR OF MEETING TOMORROW

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

DISPOSAL OF LOUISIANA, MO., SYNTHETIC FUEL PLANT

The SPEAKER. Under previous order of the House, the gentleman from Illinois [Mr. PRICE] is recognized for 5 minutes.

Mr. PRICE. Mr. Speaker, I take the time of my colleagues in the House this afternoon to sound an alarm—an alarm over the start of a pattern of giving away the vital resources of the Nation.

Plans for the disposal of the coal-to-oil demonstration plant at Louisiana, Mo., and the legislation now under consideration in the other body—and which has already passed the House—to give the States clear title to the tidelands should be warning enough for the Congress to be on guard against the new Republican administration's inclination to give control of important natural resources to private exploiters.

I think there is ample justification for my fear in the light of a recent statement by Secretary of the Interior McKay at a meeting of the American Society of Newspaper Editors last week. The Secretary of the Interior said he is of the opinion that the Federal Government is holding on to too much public land and ought to give some of it, on a selective basis, to the States and private industry, but he would have the Government retain the western rangeland. I am afraid the States and private industry will select what is valuable and Uncle Sam will select what is left over.

In the case of the plant at Louisiana, Mo., what Secretary McKay seems to forget is that this plant is more than an experiment. It is a vital part of our national defense picture. After an expenditure of \$75 million or so it comes to the point of being successful and what does Secretary McKay do—he throws it out the window, apparently without thinking of the consequences.

As time goes on the daily need for liquid fuel will become greater and greater and the disparity between the need and American domestic production greater also.

The coal industry and coal miners will suffer from the closing of the Louisiana, Mo., hydrogenation plant. The action should be of special significance to those interested in coal, because even conservative forecasts indicate discovery production, and consumption of oil and gas are at such a pace as to make mandatory the production of these fuels from coal in the next decade.

So I sound the alarm. Let us safeguard our vital resources. Let us resist the pattern of the new administration of giving away our Nation's assets. In this pattern I place the administration's proposal to sell the half-billion-dollar synthetic rubber industry; the tidelands oil legislation; an expected move by private industry to obtain naval oil deposits in Alaska, and various proposals to let private enterprise take control of natural resources, hydroelectric projects, and portions of the public domain.

The closing of the Missouri plant is the first victory of the oil lobby under the new administration. It is the big payoff.

It is no use calling this a steal; it is a giveaway, just like bank night.

(Mr. PRICE asked and was given permission to revise and extend his remarks.)

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. KNOX (at the request of Mr. ARENDS), for the day, on account of illness.

83^D CONGRESS
1ST SESSION

H. R. 4664

IN THE SENATE OF THE UNITED STATES

APRIL 23 (legislative day, APRIL 6), 1953

Read twice and referred to the Committee on Appropriations

AN ACT

Making supplemental appropriations for the fiscal year ending
June 30, 1953, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the following sums are appropriated, out of any money
4 in the Treasury not otherwise appropriated, to supply sup-
5 plemental appropriations for the fiscal year ending June 30,
6 1953, and for other purposes, namely:

7 CHAPTER I

8 DISTRICT OF COLUMBIA

9 FISCAL SERVICE

10 SALARIES AND EXPENSES

11 For an additional amount for "Salaries and expenses,
12 Fiscal Service", \$100,000.

1 COMPENSATION AND RETIREMENT FUND EXPENSES

2 DISTRICT GOVERNMENT EMPLOYEES' COMPENSATION

3 For an additional amount for "District government em-
4 ployees' compensation", \$41,500.

5 REGULATORY AGENCIES

6 SALARIES AND EXPENSES, OFFICE OF ADMINISTRATOR OF

7 RENT CONTROL

8 For an additional amount for "Salaries and expenses,
9 Office of Administrator of Rent Control", \$17,000.

10 PUBLIC SCHOOLS

11 OPERATING EXPENSES

12 General Administration, Supervision and Instruction

13 For an additional amount for "General administration,
14 supervision and instruction", \$60,000.

15 VETERANS' SERVICES

16 For an additional amount for "Veterans' services",
17 \$3,000.

18 COURTS

19 UNITED STATES COURTS

20 For an additional amount, fiscal year 1951, for "United
21 States courts", \$4,764.

22 PUBLIC WELFARE

23 SAINT ELIZABETHS HOSPITAL

24 For an additional amount for "Saint Elizabeths Hospi-
25 tal", \$824,243.

SETTLEMENT OF CLAIMS AND SUITS

For the payment of claims in excess of \$250, approved by the Commissioners in accordance with the provisions of the Act of February 11, 1929, as amended (45 Stat. 1160; 46 Stat. 500; 65 Stat. 131), \$45,014.

JUDGMENTS

For the payment of final judgments rendered against the District of Columbia, as set forth in House Document Numbered 106 (Eighty-third Congress), together with such further sums as may be necessary to pay the interest at not exceeding 4 per centum per annum on such judgments, as provided by law, from the date the same became due until the date of payment, \$527.

AUDITED CLAIMS

For an additional amount for the payment of claims, certified to be due by the accounting officers of the District of Columbia, under appropriations the balances of which have been exhausted or credited to the general fund of the District of Columbia as provided by law (D. C. Code, Title 47, sec. 130a), being for the service of the fiscal year 1950 and prior fiscal years, as set forth in House Document Numbered 106 (Eighty-third Congress), \$175,600.

DIVISION OF EXPENSES

The sums appropriated in this Act for the District of Columbia shall, unless otherwise specifically provided for, be

1 paid out of the general fund of the District of Columbia, as
2 defined in the District of Columbia Appropriation Acts for
3 the fiscal years involved.

4 CHAPTER II

5 DEPARTMENT OF AGRICULTURE

6 PRODUCTION AND MARKETING ADMINISTRATION

7 AGRICULTURAL PRODUCTION PROGRAMS

8 For an additional amount for formulating acreage-allot-
9 ment and marketing-quota programs on wheat and cotton, to
10 be derived by transfer from any other appropriations avail-
11 able to the Department of Agriculture, \$3,150,000, of which
12 not more than \$600,000 shall be transferred to the account
13 "Administrative expenses, section 392, Agricultural Adjust-
14 ment Act of 1938".

15 FOREST SERVICE

16 FOREST ROADS AND TRAILS

17 For an additional amount for construction of timber
18 access roads to permit removal of insect-infested and insect-
19 killed trees in Montana and Idaho, \$5,000,000, to remain
20 available until expended.

21 CHAPTER III

22 GENERAL PROVISIONS

23 SEC. 301. No part of any appropriation contained in
24 this Act, or of the funds available for expenditure by any
25 corporation included in this Act, shall be used to pay the

1 salary or wages of any person who engages in a strike
2 against the Government of the United States or who is a
3 member of an organization of Government employees that
4 asserts the right to strike against the Government of the
5 United States, or who advocates, or is a member of an or-
6 ganization that advocates, the overthrow of the Government
7 of the United States by force or violence: *Provided*, That for
8 the purposes hereof an affidavit shall be considered prima
9 facie evidence that the person making the affidavit has not
10 contrary to the provisions of this section engaged in a strike
11 against the Government of the United States, is not a member
12 of an organization of Government employees that asserts the
13 right to strike against the Government of the United States,
14 or that such person does not advocate, and is not a member
15 of an organization that advocates, the overthrow of the
16 Government of the United States by force or violence: *Pro-*
17 *vided further*, That any person who engages in a strike
18 against the Government of the United States or who is a
19 member of an organization of Government employees that
20 asserts the right to strike against the Government of the
21 United States, or who advocates, or who is a member of an
22 organization that advocates, the overthrow of the Govern-
23 ment of the United States by force or violence and accepts
24 employment the salary or wages for which are paid from any
25 appropriation or fund contained in this or any other Act shall

1 be guilty of a felony and, upon conviction, shall be fined not
2 more than \$1,000 or imprisoned for not more than one year,
3 or both: *Provided further*, That the above penalty clause
4 shall be in addition to, and not in substitution for, any other
5 provisions of existing law.

6 SEC. 302. This Act may be cited as the "Third Sup-
7 plemental Appropriation Act, 1953".

Passed the House of Representatives April 22, 1953.

Attest:

LYLE O. SNADER,

Clerk.

AN ACT

Making supplemental appropriations for the
fiscal year ending June 30, 1953, and for
other purposes.

APRIL 23 (legislative day, APRIL 6), 1953

Read twice and referred to the Committee on
Appropriations

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued
For actions of

May 1, 1953
April 30, 1953
83rd-1st, No. 78

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HIGHLIGHTS: House passed bill to exempt top officials from leave system. House committees reported State-Justice-Commerce appropriation bill, export-control bill, and resolution for debate on cotton-exports bill. Senate committee ordered reported 3rd supplemental appropriation bill. Sen. Carlson asked that beef parity price be figured on grade basis.

HOUSE

1. PERSONNEL. Passed as reported H. R. 4654, to exempt certain major officials from the annual and sick leave systems (pp. 4400-9). For provisions of this bill, see Digest 73.
2. EXPORT CONTROL. The Banking and Currency Committee reported without amendment H. R. 4882, to continue export-control authority from June 30, 1953, until June 30, 1956 (H. Rept. 335)(p. 4419). The Rules Committee reported a resolution for consideration of this bill (p. 4396).
3. APPROPRIATIONS. The Appropriations Committee reported H. R. 4974, the State, Justice, Commerce appropriation bill for 1954 (H. Rept. 341)(p. 4419).
4. COTTON EXPORTS. The Rules Committee reported a resolution for consideration of H. R. 4465, to provide for war-risk insurance on exported cotton, etc. (p.4419).
5. REORGANIZATION. Received from the President a reorganization plan to provide for a single managing director for the Export-Import Bank; to Government Operations Committee (H. Doc. 135)(pp. 4409-10). Also received in the Senate (p. 4358).
6. ADJOURNED until Mon., May 4 (p. 4419). Rep. Halleck announced the legislative program for next week: Mon., consent calendar and SJC appropriation bill; Tues., private calendar and SJC appropriation bill; Wed., memorial services; Thurs. and Fri., SJC bill, cotton-exports insurance, and export-control continuation (p. 4414).

SENATE

7. EXPORT CONTROL. The Banking and Currency Committee reported with amendment S. 1739, to continue export-control authority (S. Rept. 207)(p. 4353).

8. THIRD SUPPLEMENTAL APPROPRIATION BILL, 1953. The Appropriations Committee ordered reported (but did not actually report) with amendments this bill, H. R. 4664 (p. D344).
9. FOREIGN TRADE. The Banking and Currency Committee reported with amendment S. Res. 25, providing for an investigation of means to expand foreign investment and trade, and the resolution was referred to the Rules and Administration Committee (S. Rept. 208)(p. 4353).
10. SUBMERGED LANDS. Continued debate on S. J. Res. 13, to establish State title to submerged lands (pp. 4349-52, 4358-92).
11. BEEF PARITY PRICE. Sen. Carlson spoke favoring the establishment of beef parity prices on a grade basis, urged the Secretary to review the present method of figuring parity based on present-day costs, and inserted A. G. Pickett's (Kans. Livestock Assn.) article on this subject (p. 4357).
12. PRICE SUPPORTS; IMPORT CONTROL. Received a Calif. Legislature resolution favoring import controls to protect price supports (p. 4353).
13. WATER UTILIZATION. Received a Hawaii Legislature resolution urging study of Hawaii water resources (p. 4353).

BILLS INTRODUCED

14. EDUCATION. S. 1802, by Sen. Mundt (for himself and others), to amend certain provisions of the United States Information and Educational Exchange Act of 1948 relating to exchange programs; to Foreign Relations Committee. Remarks of author. (p. 4354.)
15. COST-OF-LIVING ALLOWANCES. S. 1803, by Sen. Carlson, to permit payment of certain cost-of-living allowances outside continental U. S. at rates in excess of 25% of basic pay; to Post Office and Civil Service Committee (p. 4354).
16. OLEOMARGARINE. S. 1806, by Sen. Stennis (for himself and Sen. Goldwater), to amend the Navy ration statute so as to provide for serving oleomargarine or margarine; to Armed Services Committee (p. 4354).
17. IMMIGRATION. H. R. 4925, to authorize immigration of 240,000 additional persons; also H. R. 4935, by Rep. Javits; to Judiciary Committee (pp. 4419-20).
18. LAND TRANSFER. H. R. 4928, by Rep. Canfield, to authorize USDA to convey a land tract to Clifton, N. J.; to Agriculture Committee (p. 4420).
19. FOREST ROADS. H. R. 4929, to provide for an adequate system of timber access roads to and in the national forests through Treasury loans to USDA; to Agriculture Committee (p. 4420).
20. PRICES. H. R. 4931, by Rep. Graham, to promote competition by clarifying laws relating to trade regulation and pricing methods and policies; to Judiciary Committee (p. 4420). Remarks of author (pp. A2419-20).
21. PERSONNEL. H. R. 4937, by Rep. Jonas, Ill., to exempt from income tax certain retirement annuities; to Ways and Means Committee (p. 4420).
H. R. 4948, to permit retirement after 25 years' service of certain personnel who have incurred disability in the armed forces; to Post Office and Civil Service Committee (p. 4420).

Daily Digest

HIGHLIGHTS

Both Houses received President's reorganization plans on Defense Department and Export-Import Bank.

Senate worked on submerged lands measure.

Terminal leave payment bill passed by House.

Senate committees approved bills on third supplemental appropriations and armed services matters.

Senate

Chamber Action

Routine Proceedings, pages 4352-4358

Bills Introduced: 6 bills and 3 resolutions were introduced, as follows: S. 1801 to S. 1806; S. J. Res. 73 and S. J. Res. 74; and S. Res. 108. Pages 4354, 4392

Bills Reported: Reports were made as follows:

S. 1739, to provide for continuation of authority for regulation of exports, with an amendment (S. Rept. 207);

S. Res. 25, providing for an investigation of means to expand foreign investment and trade, with an amendment (S. Rept. 208)—referred to Committee on Rules and Administration;

S. 1375, requiring national banks to furnish list of shareholders to Comptroller of the Currency within 10 days of demand, with an amendment (S. Rept. 209);

S. 1307, to amend act of December 23, 1944, authorizing U. S. disbursing officers to cash and negotiate checks, drafts, bills of exchange, etc., under certain conditions, with an amendment (S. Rept. 210);

S. 1063, to authorize and request the President to promote certain naval officers, with amendments (S. Rept. 211); and

S. 1805, authorizing the construction of aeronautical research facilities and the acquisition of land by the National Advisory Committee for Aeronautics necessary to the effective prosecution of aeronautical research (S. Rept. 212). Pages 4353-4354

President's Messages—Reorganizations: Two reorganization messages from the President were received and referred, as follows:

Reorganization Plan No. 5 (providing for a single Managing Director to head the Export-Import Bank instead of the present Board of Directors)—referred to Committee on Government Operations; and

Reorganization Plan No. 6 (Department of Defense)—referred to Committee on Armed Services, and then to Committee on Government Operations. Pages 4358, 4409-4413

Submerged Lands: Senate worked on S. J. Res. 13, submerged lands measure, taking the following actions on amendments to the committee amendment in the nature of a substitute:

Adopted: Holland amendment clarifying certain language in section 5 of the committee substitute; and

Rejected: By 22 yeas to 59 nays, Monroney amendment, limiting quitclaim provisions to 3 miles seaward from State coastlines, and requiring Secretary of Interior to arrange for leases on Continental Shelf, royalties therefrom to be covered into special fund for reduction of national debt; and by 26 yeas to 50 nays, Douglas amendment, modifying definition in committee substitute of the term "coastline."

Pending at recess was question on adoption of committee amendment in nature of a substitute for S. J. Res. 13. Pages 4349-4352, 4358-4392

Condolence Resolution: S. Res. 108, expressing condolence on the death of Representative and former Senator Withers, was adopted. Senators Clements and Cooper were appointed to represent Senate on the funeral committee. Pages 4393-4394

Confirmations: Senate confirmed the nominations of George Wadsworth, of New York, to be Ambassador to Czechoslovakia, Jack K. McFall, of D. C., to be Minister to Finland, and 3 other civilian nominations, along with 30 in the Army and 3 in the Air Force. Page 4394

Program for Friday: Senate recessed at 5 p. m. until noon Friday, May 1, when it will continue on S. J. Res. 13, submerged lands bill.

Committee Meetings

(Committees not listed did not meet)

AGRICULTURAL EXPORTS AND IMPORTS

Committee on Agriculture and Forestry: Continuing its hearings on agricultural exports and imports and their effect on farm price programs, committee heard testimony from Floyd Davis, Foreign Agricultural Service, and H. E. Reed, PMA, both of the Agriculture Department, who gave statistical information on foreign trade in livestock production; J. M. Jones, executive secretary, National Wool Growers Association, who testified as to the effect of imports on domestic production of lambs; and F. E. Mollin, executive secretary, American National Cattlemen's Association, who reviewed the current cattle price situation in relation to imports. Hearings continue tomorrow.

APPROPRIATIONS—HEALTH, EDUCATION, AND WELFARE

Committee on Appropriations: Subcommittee on Labor-HEW continued its hearings on proposed 1954 budget estimates for the Department of Health, Education, and Welfare, with testimony in behalf of various components thereof from the following Department officials, accompanied by their associates: Rufus E. Miles, Jr., Director of Administration, on funds for salaries and expenses, Office of the Secretary; Dr. Leonard A. Scheele, Surgeon General, on funds for Public Health Service; Chester B. Lund, Director, Office of Field Services, on funds for his Office and for surplus property disposal; and Alanson W. Willcox, Assistant to the General Counsel, Office of the General Counsel. Hearings continue May 11.

APPROPRIATIONS—STATE DEPARTMENT

Committee on Appropriations: Subcommittee on State, Justice, Commerce concluded hearings today on proposed 1954 budget estimates for those Departments, with testimony, in executive session, on State Department security and foreign policy matters from Secretary John Foster Dulles, Under Secretary Donald B. Lourie, and Department Budget Officer Edward B. Wilber. Subcommittee recessed subject to call.

APPROPRIATIONS—THIRD SUPPLEMENTAL

Committee on Appropriations: Committee concluded hearings on, and marking up of, H. R. 4664, third supplemental appropriations for 1953, and ordered the bill favorably reported with numerous amendments.

Testimony was received on various items, as indicated, from the following witnesses:

Senator Stennis, who testified on reprogramming of a project at the Greenville, Miss., airbase;

Marcus B. Braswell, Deputy Administrator, PMA, and associates, on funds for agricultural production programs;

Senator Welker, and Earl W. Loveridge, Assistant Chief, Forest Service, and associates, on funds for forest roads and trails;

Ancher Nelsen, Administrator, REA, and associates, on rural telephone loans;

S. M. Moore, Jr., VA budget officer, accompanied by associates on funds for servicemen's indemnity.

Dr. Rall I. Grigsby, Acting Commissioner of Education, and associates, on funds for salaries and expenses, Office of Education;

Charles E. Mills, Deputy Assistant Administrator, ESA, on funds for his office, and William G. Barr, Acting Director, Office of Rent Stabilization, ESA, on funds for his office;

David Lynn, Architect of the Capitol, who appeared in behalf of funds for cleaning of the frieze in the Capitol rotunda, and funds for space for rototype equipment; and

Henry P. Chandler, Director, Administrative Office of the U. S. Courts, who appeared in behalf of funds for fees of jurors.

AERONAUTICAL RESEARCH, PROMOTIONS, AND NOMINATIONS

Committee on Armed Services: Committee, in executive session, ordered favorably reported: (1) an original bill (S. 1805), authorizing the construction of aeronautical research facilities and the acquisition of land by the National Advisory Committee for Aeronautics necessary to the effective prosecution of aeronautical research, (2) S. 1063, to authorize and request the President to promote certain naval officers, with an amendment in the nature of a substitute, and (3) 1,578 nominations in the Army, Navy, Air Force, and Marine Corps.

Prior to these actions committee, in open session, heard testimony favoring enactment of S. 1805 from Dr. Hugh L. Dryden, Director, NACA.

OIL AND GAS LEASES

Committee on Interior and Insular Affairs: Subcommittee on Minerals and Fuels held hearings on S. 1397, to clarify the status of mining claims in areas held under an oil and gas prospecting permit or lease and to encourage the exploration and development of fissionable source minerals, with the following witnesses presenting a general discussion of this proposed legislation: William Mitchell, General Counsel, and Rafford L. Faulkner, Acting Director, Division of Raw Materials, both of the AEC; and Lewis E. Hoffman, Chief, Division of Minerals, Department of Interior.

William G. Waldeck, attorney of Montrose, Colo., submitted testimony favoring enactment of this bill.

Hearings continue tomorrow.

INDIAN ATTORNEY CONTRACTS

Committee on Interior and Insular Affairs: Subcommittee on Indian Affairs, presently conducting an investiga-

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

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May 4, 1953
May 1, 1953
83rd-1st, No. 79

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HIGHLIGHTS: Senate committee reported 3rd supplemental appropriation bill with rural-telephone loan funds. Senate confirmed nomination of Mansure to GSA. House Rules Committee cleared State, Justice, Commerce appropriation bill.

House

1. APPROPRIATIONS. The Rules Committee voted to report a resolution for debate on H. R. 4974, the State, Justice, Commerce appropriation bill for 1954 (p. D354).
- For the State Department this bill provides \$102,744,787, which is \$48,403,803 less than the budget estimates and \$30,290,092 below the current year. Of this amount, FAO would receive \$1,554,000, which is \$119,750 under the current year, and the Inter-American Institute of Agricultural Sciences would receive \$160,000, which is \$2,640 above the current year. Regarding international organizations, the Appropriations Committee stated, "Reductions in our percentage of contributions are not sufficient if the overall budgets of these organizations are allowed to increase. Unless additional results are forthcoming, stringent limitations can be expected."
- The bill provides \$179,265,000 for the Justice Department, which is \$7,885,000 below the budget estimates and \$5,028,000 under the 1953 appropriations. A provision was inserted to authorize the Attorney General "in his absolute discretion" during the year to terminate the employment of any employee of his department "whenever he shall deem such termination necessary or advisable in the interests of the United States."
- For the Commerce Department the bill provides \$861,136,925, which is \$270,059,000 below the budget estimates and \$112,593,211 below the current year. The estimates for the census of agriculture (\$2,400,000) and the censuses of business, transportation, manufactures, and mineral industries were "disallowed at this time" with the statement that "the committee is of the opinion that there are many more urgent needs to be provided for at present and that the taking of these censuses can be deferred without causing any undue difficulties." The amount for forest highways was \$15,000,000, which is \$5,000,000 under the budget estimate and \$3,000,000 below 1953 appropriations. For access roads the bill contains \$7,500,000, which is a reduction of \$12,500,000 in the budget estimate.

SENATE

2. APPROPRIATIONS. The Appropriations Committee reported with amendments H. R. 4664 the third supplemental appropriation bill for 1953 (S. Rept. 214)(p. 4425). The Committee added \$15,000,000 for rural-telephone loans (same as budget estimate). For other items, see Digest 67.
3. SUBMERGED LANDS. Continued debate on S. J. Res. 13, to establish State title to submerged lands (pp. 4431, 4435-62).
4. NOMINATION of Edmund F. Mansure as Administrator of General Services was confirmed (p. 4462).
5. FARM INCOME. Sen. Wiley inserted a county supervisors' resolution urging the Secretary to "do everything practical" to maintain farm income on an equal basis with farm expenses (pp. 4424-5).
6. PRICE SUPPORTS. Sen. Humphrey inserted a Farmers Union local resolution favoring support of perishable and nonperishable farm products at 90% to 110% of the old parity formula (p. 4425). He also inserted resolutions by the Central Cooperative Wholesale (Wis.) on the St. Lawrence seaway, price supports, and REA (p. 4425).
7. INTERNAL SECURITY. A compilation of Federal statutes and executive orders on internal security was ordered printed as S. Doc. 47 (pp. 4426-7).
8. CONTRACTS. Received a R. I. Assembly resolution urging repeal of the "Fulbright amendment" to the Walsh-Healey Public Contracts Act (p. 4424).
9. RECESSED until Mon., May 4 (p. 4462).

BILLS INTRODUCED

10. FLOOD CONTROL; SOIL CONSERVATION. S. 1814, by Sen. Monroney (for himself and Sen. Kerr), to authorize USDA to construct certain works of improvement on the Beaver Creek watershed, Okla.; and S. 1815, by the same authors, to provide for a preliminary examination and survey of this watershed; to Agriculture and Forestry Committee (p. 4426).

ITEMS IN APPENDIX

11. INTERGOVERNMENTAL RELATIONS. Extension of remarks of Sen. Humphrey favoring a Commission on Intergovernmental Relations and including a statement of the U. S. Conference of Mayors (pp. A2439-40).
12. ELECTRIFICATION. Rep. Jenkins inserted Arthur Kemp's letter to the New York Times citing a recent address by Herbert Hoover on the manufacture and distribution of electric power (pp. A2440-1).
13. EXPENDITURES. Sen. Martin inserted an Oil City Derrick article on Secretary Humphrey's recent address favoring reduction in expenditures (p. A2443). Extension of remarks of Rep. Reed favoring reduction in taxes (p. A2447).

COMMITTEE HEARINGS RELEASED BY G. P. O.

14. TOBACCO TAXES. Graduated cigarette tax, H. R. 1417. H. Ways and Means.

Calendar No. 214

83D CONGRESS	}	SENATE	{	REPORT
1st Session				No. 214

THIRD SUPPLEMENTAL APPROPRIATION BILL, 1953

MAY 1 (legislative day, APRIL 6), 1953.—Ordered to be printed

Mr. BRIDGES, from the Committee on Appropriations, submitted the following

REPORT

[To accompany H. R. 4664]

The Committee on Appropriations, to whom was referred the bill (H. R. 4664) making supplemental appropriations for the fiscal year ending June 30, 1953, and for other purposes, report the same to the Senate with various amendments and present herewith information relative to the changes made.

Amount of bill as passed House	\$5, 000, 000
Amount of increase by Senate committee	429, 375
Amount of bill as reported to Senate	5, 429, 375
Total estimates considered by the Senate	5, 429, 200
Amount of increase recommended by Senate committee in budget estimates	175

Comparative statement of amounts of the budget estimates and of amounts recommended to be appropriated by the bill

Chapter	Department or agency	Estimates	Recommended in House bill	Amount recommended by Senate committee	Increase (+) or decrease (-), Senate bill compared with—	
					Budget estimates	House bill
I	District of Columbia-----	\$3, 871, 933	\$1, 271, 648	\$1, 351, 933	--\$2, 520, 000	+\$80, 285
II	Legislative branch and the Judiciary:				.	
	Legislative branch-----	79, 200	-----	79, 375	+ 175	+79, 375
	The Judiciary-----	350, 000	-----	350, 000	-----	+350, 000
III	Department of Health, Education, and Welfare-----	¹ (32, 000)	-----	¹ (32, 000)	-----	(+32, 000)
IV	Department of Agriculture-----	5, 000, 000	5, 000, 000	5, 000, 000	-----	-----
V	Independent offices:					
	Economic Stabilization Agency: Office of Rent Stabilization-----	² (529, 000)	-----	³ (385, 000)	(-144, 000)	(+385, 000)
	Veterans' Administration-----	⁴ (650, 000)	-----	⁴ (650, 000)	-----	(+650, 000)
	Total-----	5, 429, 200	5, 000, 000	5, 429, 375	+ 175	+429, 375

¹ To be derived from the appropriation "Promotion and further development of vocational education."

² Limitation on amount available for "Office of Rent Stabilization" increased from \$11,000,000 to \$11,529,000.

³ Limitation on amount available for "Office of Rent Stabilization" increased from \$11,000,000 to \$11,385,000.

⁴ To be derived from the appropriation "Compensation and pensions."

INCREASES AND LIMITATIONS

Chapter I—District of Columbia:**Office of the Administrator of Rent Control:****Salaries and expenses:**

The committee recommends that the following language be added to the bill:

the limitation of \$27,000 for payment of terminal leave only, in the appropriation of \$125,000 for necessary expenses for "Office of Administrator of Rent Control", contained in the Supplemental Appropriation Act, 1953, is reduced to \$5,850

This will permit the operation of the Office during the last 2 months of fiscal 1953.

Office of Civil Defense:

Salaries and expenses----- \$78,285

The committee recommends an appropriation of \$78,285 for the Office of Civil Defense to enable the Office to match funds appropriated for the Federal Civil Defense Administration and allocated to the District of Columbia for the purchase of supplies and equipment.

Veterans' services----- 2,000

The committee recommends an appropriation of \$5,000, an increase of \$2,000 over the House bill, and the full amount of the budget estimate.

Total, chapter I----- 80,285

Chapter II—Legislative Branch and Judiciary:**Senate:****Contingent expenses of the Senate:****Folding Documents:**

The committee recommends that the following paragraph be added to the bill:

Folding Documents: The appropriation for folding documents contained in the Legislative Branch Appropriation Act, 1953, is hereby amended to read "For folding speeches and pamphlets at a gross rate not exceeding \$2 per thousand or for the employment of personnel at a gross rate not exceeding \$1.53 per hour per person".

Motor Vehicles:

The committee recommends that the following paragraph be added to the bill:

For an additional amount for maintaining, exchanging, and equipping motor vehicles for carrying the mails and for official use of the offices of the Secretary and Sergeant at Arms, \$9,331.26, to be derived by transfer from the appropriation for "Folding Documents", fiscal year 1953.

Miscellaneous items----- 55,000

The committee recommends an additional appropriation of \$55,000 for miscellaneous items for the Senate.

Chapter II—Legislative Branch and Judiciary—Continued

Senate—Continued

Postage stamps..... \$175

An additional appropriation of \$175 for the post office in the Capitol is recommended to provide sufficient cash for change and stamp purchases.

Architect of the Capitol:

Capitol Buildings and Grounds:

Rotunda frieze, Capitol Building..... 15, 000

An additional appropriation of \$15,000 is recommended for cleaning and restoration.

Senate Office Building..... 9, 200

The committee recommends an appropriation of \$9,200 for the purpose of converting space in the basement of the Senate Office Building.

The Judiciary:

Other courts and services:

Fees of jurors..... 350, 000

The committee recommends an additional appropriation of \$350,000 for fees of jurors.

Chapter III—Department of Health, Education, and Welfare:

Office of Education:

Salaries and expenses:

The committee recommends that the following language be included in the bill:

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", \$32,000, to be derived by transfer from the appropriation "Promotion and further development of vocational education", fiscal year 1953.

This supplemental authorization is necessary to avoid placing the staff on a payless furlough of approximately 4 days.

Chapter IV—Department of Agriculture:

Rural Electrification Administration:

Loan authorizations:

For the rural telephone program, the committee recommends an additional \$15,000,000 in loan authorizations, the full amount of the supplemental budget estimate. The House committee recommended \$7,500,000 which was deleted on the floor of the House on a point of order. The following language has been included in the bill:

For an additional amount for rural telephone loans in accordance with the Rural Electrification Act of 1936, as amended (7 U. S. C. 901-924), and for carrying out the provisions of section 7 thereof, to be borrowed from the Secretary of the Treasury in accordance with the provisions of section 3 (a) of said Act, \$15,000,000.

Chapter V—Independent Offices:**Economic Stabilization Agency:****Salaries and expenses:**

The committee recommends that the amount available for the Office of Rent Stabilization be increased from \$11,000,000 to \$11,385,000 to provide sufficient funds for the payment of terminal leave of employees being separated from the service. The language does not provide an appropriation but merely an increase in the limitation.

Veterans' Administration:**Servicemen's indemnities:**

The committee recommends an additional appropriation of \$650,000 for servicemen's indemnities to be derived by transfer from the appropriation "Compensation and pensions."

Total increase by Senate committee-----	\$429, 375
Amount of bill as passed House-----	5, 000, 000
Amount of bill as reported to Senate-----	5, 429, 375

Comparative statement of amounts of the budget estimates and of the amounts recommended to be appropriated by the bill

H. Doc. No.	Department or agency	Estimates	Recommended in House bill	Amount recom- mended by Senate committee	Increase (+) or decrease (-) Senate bill compared with—	
					Budget estimates	House bill
106	CHAPTER I					
	<i>DISTRICT OF COLUMBIA</i>					
	<i>Fiscal Services, salaries and expenses</i> -----	\$100, 000	\$100, 000	\$100, 000	-----	-----
	<i>District Government Employees' Compensation Fund</i> -----	41, 500	41, 500	41, 500	-----	-----
	<i>Office of Administrator of Rent Control</i> -----	17, 000	17, 000	17, 000	-----	-----
	<i>Public Schools: General Administration, Super- revision and instruction</i> -----	80, 000	60, 000	60, 000	-\$20, 000	-----
	<i>Veterans' Services</i> -----	5, 000	3, 000	5, 000	-----	+\$2, 000
	<i>Office of Civil Defense</i> -----	78, 285	-----	78, 285	-----	+78, 285
	<i>United States Courts, 1951</i> -----	4, 764	4, 764	4, 764	-----	-----
	<i>Saint Elizabeths Hospital</i> -----	824, 243	824, 243	824, 243	-----	-----
	<i>Sewer Division, capital outlay</i> -----	2, 500, 000	-----	-----	-2, 500, 000	-----
	<i>Claims and suits</i> -----	45, 014	45, 014	45, 014	-----	-----
	<i>Judgments</i> -----	527	527	527	-----	-----
	<i>Audited claims</i> -----	175, 600	175, 600	175, 600	-----	-----
	<i>Total</i> -----	3, 871, 933	1, 271, 648	1, 351, 933	-2, 520, 000	+80, 285

CHAPTER II					
LEGISLATIVE AND THE JUDICIARY					
SENATE					
S. 45	Miscellaneous items-----	55, 000	-----	-----	+55, 000
	Postage stamps-----		-----	+175	+175
ARCHITECT OF THE CAPITOL					
S. 46	Capitol Building and grounds-----	15, 000	-----	-----	+15, 000
S. 46	Senate Office Building-----	9, 200	-----	-----	+9, 200
THE JUDICIARY					
S. 40	Fees of jurors-----	350, 000	-----	-----	+350, 000
	Total-----	429, 200	-----	+175	+429, 375
CHAPTER III					
S. 42	DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE				
	OFFICE OF EDUCATION				
	Salaries and expenses-----	¹ (32, 000)	-----	-----	(+32, 000)

¹ To be derived from appropriation "Promotion and further development of vocational education," fiscal year 1953.

Comparative statement of amounts of the budget estimates and of the amounts recommended to be appropriated by the bill—Con.

H. Doc. No.	Department or agency	Estimates	Recommended in House bill	Amount recom- mended by Senate committee	Increase (+) or decrease (—) Senate bill compared with—	
					Budget estimates	House bill
CHAPTER IV						
DEPARTMENT OF AGRICULTURE						
124	Agricultural Production Administration-----	² (\$3, 150, 000)	(\$3, 150, 000)	(\$3, 150, 000)	-----	-----
16	Forest Service, forest roads and trails-----	5, 000, 000	5, 000, 000	5, 000, 000	-----	-----
S. 24	Rural Electrification Administration:					
	Rural telephone program-----	³ (15, 000, 000)	-----	⁴ (15, 000, 000)	-----	(+ \$15,000,000)
	Total-----	5, 000, 000	5, 000, 000	5, 000, 000	-----	-----
CHAPTER V						
INDEPENDENT OFFICES						
ECONOMIC STABILIZATION AGENCY						
S. 43	Salaries and expenses, Office of Rent Stabiliza- tion-----	⁵ (529, 000)	-----	⁶ (385, 000)	(— 144, 000)	(+ 385, 000)

S. 44	VETERANS' ADMINISTRATION Servicemen's indemnities				
		7 (650, 000)		(650, 000)	(+ 650, 000)
	Grand total	5, 429, 200	5, 000, 000	5, 429, 375	+ 429, 375

² To be derived by transfer from other appropriations available to Department of Agriculture.

³ Budget estimate in Senate Document No. 24 proposed transfer of \$15,000,000 from electrification program to rural telephone program.

⁴ Increase in loan authorizations for rural telephone program; is not deducted from electrification program.

⁵ Limitation on amount available for Office of Rent Stabilization increased from \$11,000,000 to \$11,529,000.

⁶ Limitation on amount available for Office of Rent Stabilization increased from \$11,000,000 to \$11,385,000.

⁷ To be derived by transfer from the appropriation "Compensations and pensions."

○

Calendar No. 214

83^D CONGRESS
1ST SESSION

H. R. 4664

[Report No. 214]

IN THE SENATE OF THE UNITED STATES

APRIL 23 (legislative day, APRIL 6), 1953

Read twice and referred to the Committee on Appropriations

MAY 1 (legislative day, APRIL 6), 1953

Reported by Mr. BRIDGES, with amendments

[Omit the part struck through and insert the part printed in italic]

AN ACT

Making supplemental appropriations for the fiscal year ending
June 30, 1953, and for other purposes.

- 1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the following sums are appropriated, out of any money
4 in the Treasury not otherwise appropriated, to supply sup-
5 plemental appropriations for the fiscal year ending June 30,
6 1953, and for other purposes, namely:

1 CHAPTER I
2 DISTRICT OF COLUMBIA

3 FISCAL SERVICE

4 SALARIES AND EXPENSES

5 For an additional amount for "Salaries and expenses,
6 Fiscal Service", \$100,000.

7 COMPENSATION AND RETIREMENT FUND EXPENSES

8 DISTRICT GOVERNMENT EMPLOYEES' COMPENSATION

9 For an additional amount for "District government em-
10 ployees' compensation", \$41,500.

11 REGULATORY AGENCIES

12 SALARIES AND EXPENSES, OFFICE OF ADMINISTRATOR OF

13 RENT CONTROL

14 For an additional amount for "Salaries and expenses,
15 Office of Administrator of Rent Control", \$17,000 *and the*
16 *limitation of \$27,000 for payment of terminal leave only, in*
17 *the appropriation of \$125,000 for necessary expenses for*
18 *"Office of Administrator of Rent Control", contained in the*
19 *Supplemental Appropriation Act, 1953, is reduced to \$5,850.*

20 PUBLIC SCHOOLS

21 OPERATING EXPENSES

22 General Administration, Supervision and Instruction

23 For an additional amount for "General administration,
24 supervision and instruction", \$60,000.

VETERANS' SERVICES

For an additional amount for "Veterans' services",
\$~~3,000~~ \$5,000.

OFFICE OF CIVIL DEFENSE

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses,
Office of Civil Defense", \$78,285.

COURTS

UNITED STATES COURTS

For an additional amount, fiscal year 1951, for "United
States courts", \$4,764.

PUBLIC WELFARE

SAINT ELIZABETHS HOSPITAL

For an additional amount for "Saint Elizabeths Hospi-
tal", \$824,243.

SETTLEMENT OF CLAIMS AND SUITS

For the payment of claims in excess of \$250, approved
by the Commissioners in accordance with the provisions
of the Act of February 11, 1929, as amended (45 Stat.
1160; 46 Stat. 500; 65 Stat. 131), \$45,014.

JUDGMENTS

For the payment of final judgments rendered against
the District of Columbia, as set forth in House Document
Numbered 106 (Eighty-third Congress), together with such

1 further sums as may be necessary to pay the interest at not
 2 exceeding 4 per centum per annum on such judgments, as
 3 provided by law, from the date the same became due until
 4 the date of payment, \$527.

5 AUDITED CLAIMS

6 For an additional amount for the payment of claims,
 7 certified to be due by the accounting officers of the District
 8 of Columbia, under appropriations the balances of which
 9 have been exhausted or credited to the general fund of the
 10 District of Columbia as provided by law (D. C. Code, Title
 11 47, sec. 130a), being for the service of the fiscal year 1950
 12 and prior fiscal years, as set forth in House Document
 13 Numbered 106 (Eighty-third Congress), \$175,600.

14 DIVISION OF EXPENSES

15 The sums appropriated in this Act for the District of
 16 Columbia shall, unless otherwise specifically provided for, be
 17 paid out of the general fund of the District of Columbia, as
 18 defined in the District of Columbia Appropriation Acts for
 19 the fiscal years involved.

20 CHAPTER II

21 LEGISLATIVE BRANCH

22 SENATE

23 CONTINGENT EXPENSES OF THE SENATE

24 *Folding Documents: The appropriation for folding docu-*
 25 *ments contained in the Legislative Branch Appropriation*

1 *Act, 1953, is hereby amended to read "For folding speeches*
 2 *and pamphlets at a gross rate not exceeding \$2 per thousand*
 3 *or for the employment of personnel at a gross rate not ex-*
 4 *ceeding \$1.53 per hour per person".*

5 *Motor vehicles: For an additional amount for main-*
 6 *taining, exchanging, and equipping motor vehicles for carry-*
 7 *ing the mails and for official use of the offices of the Secretary*
 8 *and Sergeant at Arms, \$9,331.26, to be derived by transfer*
 9 *from the appropriation for "Folding Documents", fiscal year*
 10 *1953.*

11 *Miscellaneous items: For an additional amount for*
 12 *"Miscellaneous items", exclusive of labor, \$55,000.*

13 *Postage stamps: For an additional amount for postage*
 14 *stamps for the Office of the Sergeant at Arms of the Senate,*
 15 *\$175.*

16 *ARCHITECT OF THE CAPITOL*

17 *CAPITOL BUILDINGS AND GROUNDS*

18 *Rotunda frieze, Capitol Building: For cleaning and*
 19 *restoring the sections of the Rotunda frieze decorated in fresco*
 20 *by Constantino Brumidi and Filippo Costaggini, \$15,000,*
 21 *to be expended by the Architect of the Capitol under the*
 22 *direction of the Joint Committee on the Library for personal*
 23 *and other services and all other necessary incidental items.*

1 *without regard to section 3709 of the Revised Statutes, as*
 2 *amended, and to remain available until June 30, 1954.*

3 *Senate Office Building: For an additional amount for*
 4 *“Senate Office Building”, \$9,200, to remain available until*
 5 *June 30, 1954.*

6 *THE JUDICIARY*

7 *OTHER COURTS AND SERVICES*

8 *FEES OF JURORS*

9 *For an additional amount for “Fees of jurors”.*
 10 *\$350,000.*

11 *CHAPTER III*

12 *DEPARTMENT OF HEALTH, EDUCATION, AND* 13 *WELFARE*

14 *OFFICE OF EDUCATION*

15 *SALARIES AND EXPENSES*

16 *For an additional amount for “Salaries and expenses”,*
 17 *\$32,000, to be derived by transfer from the appropriation*
 18 *“Promotion and further development of vocational education”,*
 19 *fiscal year 1953.*

20 *CHAPTER IV*

21 *DEPARTMENT OF AGRICULTURE*

22 *PRODUCTION AND MARKETING ADMINISTRATION*

23 *AGRICULTURAL PRODUCTION PROGRAMS*

24 *For an additional amount for formulating acreage-allot-*
 25 *ment and marketing-quota programs on wheat and cotton, to*

be derived by transfer from any other appropriations available to the Department of Agriculture, \$3,150,000, of which not more than \$600,000 shall be transferred to the account "Administrative expenses, section 392, Agricultural Adjustment Act of 1938".

FOREST SERVICE

FOREST ROADS AND TRAILS

For an additional amount for construction of timber access roads to permit removal of insect-infested and insect-killed trees in Montana and Idaho, \$5,000,000, to remain available until expended.

RURAL ELECTRIFICATION ADMINISTRATION

LOAN AUTHORIZATIONS

For an additional amount for rural telephone loans in accordance with the Rural Electrification Act of 1936, as amended (7 U. S. C. 901-924), and for carrying out the provisions of section 7 thereof, to be borrowed from the Secretary of the Treasury in accordance with the provisions of section 3 (a) of said Act, \$15,000,000.

CHAPTER V

INDEPENDENT OFFICES

ECONOMIC STABILIZATION AGENCY

SALARIES AND EXPENSES

The amount made available under this head in the Supplemental Appropriation Act, 1953, for the Office of Rent

1 *Stabilization is hereby increased from “\$11,000,000” to*
 2 *“\$11,385,000”.*

3 *VETERANS’ ADMINISTRATION*

4 *SERVICEMEN’S INDEMNITIES*

5 *For an additional amount for “Servicemen’s indemni-*
 6 *ties”, \$650,000, to be derived by transfer from the appro-*
 7 *priation “Compensation and pensions”, and to remain avail-*
 8 *able until expended.*

9 *CHAPTER III VI*

10 *GENERAL PROVISIONS*

11 *SEC. 301 601.* No part of any appropriation contained in
 12 this Act, or of the funds available for expenditure by any
 13 corporation included in this Act, shall be used to pay the
 14 salary or wages of any person who engages in a strike
 15 against the Government of the United States or who is a
 16 member of an organization of Government employees that
 17 asserts the right to strike against the Government of the
 18 United States, or who advocates, or is a member of an or-
 19 ganization that advocates, the overthrow of the Government
 20 of the United States by force or violence: *Provided*, That for
 21 the purposes hereof an affidavit shall be considered prima
 22 facie evidence that the person making the affidavit has not
 23 contrary to the provisions of this section engaged in a strike
 24 against the Government of the United States, is not a member
 25 of an organization of Government employees that asserts the

1 right to strike against the Government of the United States,
2 or that such person does not advocate, and is not a member
3 of an organization that advocates, the overthrow of the
4 Government of the United States by force or violence: *Pro-*
5 *vided further*, That any person who engages in a strike
6 against the Government of the United States or who is a
7 member of an organization of Government employees that
8 asserts the right to strike against the Government of the
9 United States, or who advocates, or who is a member of an
10 organization that advocates, the overthrow of the Govern-
11 ment of the United States by force or violence and accepts
12 employment the salary or wages for which are paid from any
13 appropriation or fund contained in this or any other Act shall
14 be guilty of a felony and, upon conviction, shall be fined not
15 more than \$1,000 or imprisoned for not more than one year,
16 or both: *Provided further*, That the above penalty clause
17 shall be in addition to, and not in substitution for, any other
18 provisions of existing law.

19 SEC. ~~302~~ 602. This Act may be cited as the "Third
20 Supplemental Appropriation Act, 1953".

Passed the House of Representatives April 22, 1953.

Attest:

LYLE O. SNADER,

Clerk.

83^d CONGRESS
1ST SESSION

H. R. 4664

[Report No. 214]

AN ACT

Making supplemental appropriations for the
fiscal year ending June 30, 1953, and for
other purposes.

APRIL 23 (legislative day, APRIL 6), 1953
Read twice and referred to the Committee on
Appropriations

MAY 1 (legislative day, APRIL 6), 1953
Reported with amendments

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

Issued May 7, 1953

For actions of May 6, 1953

83rd-1st, No. 82

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

CONTENTS

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Cotton exports.....10	Lands, farm.....13	Research.....12
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Disbursements.....7		Treaties.....14

HIGHLIGHTS: Senate passed: 3rd supplemental appropriation bill, adding item for rural-telephone loans; Commission to study intergovernmental relations; Commission to study reorganization; Export-control continuation. Sen. Taft agreed to bring up cotton-exports insurance bill today but criticized it. Sen. Humphrey introduced and discussed bill to require use of county committees in USDA.

SENATE

1. APPROPRIATIONS. Passed with amendments H. R. 4664, the third supplemental appropriation bill for 1953 (pp. 4761-78). Sens. Bridges, Ferguson, Cordon, Hayden, and Russell were appointed conferees (p. 4778). Agreed to the committee amendment adding \$15,000,000 for rural-telephone loans (pp. 4762-3). There was discussion of Federal-employee leave policy in connection with a Williams amendment regarding CRS (pp. 4763-78).
2. INTERGOVERNMENTAL RELATIONS. Passed with amendments S. 1514, to establish a Commission on Intergovernmental Relations to study and make recommendations on Federal-State-local relations, functions, resources, etc. (pp. 4750-3).
3. REORGANIZATION. Passed as reported S. 106, to establish a Commission on Organization of the Executive Branch (pp. 4753-4).
4. EXPORT CONTROL. Passed S. 1739, to continue export-control authority, with a Taft amendment to extend the law for 1 year instead of 3 (pp. 4747-8).
5. ADMINISTRATIVE PROCEDURE. Passed without amendment S. 18, to eliminate certain exemptions from the Administrative Procedure Act, including the International Wheat Agreement Act, Export Control Act, Sugar Control Extension Act, part of the Defense Production Act, etc. (p. 4731).
6. FLOOD CONTROL. Passed as reported S. 117, to amend Sec. 7 of the Flood Control Act of 1941 relating to apportionment of moneys received on account of the leasing of lands acquired by the U. S. for flood-control purposes (pp. 4748-9).
7. DISBURSEMENTS. Passed as reported S. 1307, to continue and amend authority of disbursing officers to cash checks and perform other services for U. S. employees abroad (p. 4749).

8. PROPERTY ACQUISITION. Passed with amendment S. 30, to provide for jury trials in condemnation proceedings (pp. 4757-8).
9. CONTRACTS. Debated but passed over S. 24, to permit judicial review of decisions of Government contracting officers involving questions of fact arising under Government contracts in cases other than those in which fraud is alleged (pp. 4729-30, 4756-7).
10. COTTON EXPORTS. Sen. Maybank attempted to bring up S. 1413, to provide war-risk insurance on exported cotton, etc. Sen. Taft criticized the bill but agreed to have it brought up today. (pp. 4747-8.)
11. PERSONNEL. Sen. Johnston, S. C., criticized the new security order relating to Federal employment and said there is currently "a strong tendency to completely destroy the civil-service-merit system" (pp. 4778-80).

HOUSE

12. RESEARCH. The Interstate and Foreign Commerce Committee ordered reported (but did not actually report) with amendments H. R. 4689, amending the National Science Foundation Act regarding quorums of Board members and providing for an open-end authorization to carry out the Act (p. D377).
13. FARM LANDS. Received a Hawaii Legislature memorial urging appropriation of \$20,000,000 for land and water development in Hawaii (p. 4792).

14. ITEMS IN APPENDIX

14. TREATIES. Rep. Smith, Wis., inserted a letter from Paul Redmond favoring Sen. Bricker's proposal to limit treaty-making powers (pp. A2553-4).
15. BUDGETING. Extension of remarks of Rep. Keating favoring item-veto power on appropriation bills (p. A2555).

BILLS INTRODUCED

16. COUNTY COMMITTEES. S. 1847, by Sen. Humphrey, to require the Secretary of Agriculture to continue use of local and State committees in carrying out the Soil Conservation and Domestic Allotment Act, to require that such committees be used in carrying out farm price-support and crop-insurance programs, and to provide for election of such State committees by members of county committees; to Agriculture Committee (p. 4728). Remarks of author (p. 4780).
17. INTEREST RATES. S. 1848, by Sen. Sparkman, to prohibit certain increases in interest rates under the National Housing Act; to Banking and Currency Committee (p. 4728). Remarks of author, including charges that recent increases in interest rates are not in the interest of farmers (pp. 4780-7).
18. PERSONNEL. H. Res. 228, by Rep. Broyhill, directing the Post Office and Civil Service Committee to investigate personnel practices with particular reference to job security of career employees; to Rules Committee (pp. 4791-2).

COMMITTEE HEARING ANNOUNCEMENTS FOR MAY 7: Soil conservation in general, H. Agriculture (McArdle to testify). USDA appropriations, S. Appropriations. Joint Budget Committee, S. Government Operations (exec).

For supplemental information and copies of legislative material referred to, call Ext. 4654 or send to Room 105A.

In the few cases that I have related, Russell W. Duke received a total of \$32,850 in fees and approximately \$2,500 in expenses; and attorney Edward P. Morgan received \$13,700 in fees and \$450 in expenses.

Edward P. Morgan also loaned Duke \$500 on July 22, 1949. According to both Morgan's and Duke's testimony, this sum of money which was, in fact, a loan, has never been repaid.

CONCLUSION

Russell W. Duke had various contacts with Senator WAYNE MORSE, of Oregon, while Duke was engaged in some of the activities that I have mentioned. Duke at that time was a constituent of Senator MORSE, and the information in the possession of this subcommittee clearly reveals MORSE treated Duke as he would have any constituent. Our information has failed to reveal any wrongdoing on the part of Senator MORSE in connection with his association with Duke.

It is quite clear that Russell W. Duke was an influence peddler who specialized in tax cases. In the absence of any legal, accounting, or other technical ability, he used his alleged influence with his alleged contacts. There is no evidence that he performed any legitimate service to any taxpayer.

THE PRESIDING OFFICER. Is there objection to the consideration of the resolution? There being no objection, the resolution (S. Res. 103) was considered and agreed to, as follows:

Resolved, That the President of the Senate certify the report of the Committee on Government Operations of the United States Senate as to the willful default of Russell W. Duke in failing to appear to testify before the Senate Permanent Subcommittee on Investigations of the Committee on Government Operations of the United States Senate in response to a subpoena, together with all the facts in connection therewith, under the seal of the United States Senate, to the United States attorney for the District of Columbia, to the end that the said Russell W. Duke may be proceeded against in the manner and form provided by law.

MR. HENDRICKSON. Mr. President, the acting majority leader would like to take this opportunity to thank the Senator from Wisconsin for his explanation of the resolution just agreed to.

MR. MCCARTHY. I thank the Senator. I may say also, if I may, that at the time this case originally came to our attention it was referred to us by the Judiciary Committee of the House. There were certain phases which were beyond the jurisdiction of that committee. The incident occurred before the House was organized in January, and the House, not being a continuing body, could not issue a subpoena for the production of documents. The Senate, being a continuing body, had authority to do so. The House committee was fearful that the documents might disappear and requested us to issue the subpoena, and we did so.

One point which I desire to emphasize in this connection is that at the time this matter was first discussed in the press reference was made to the name of the Senator from Oregon [Mr. MORSE]. The staff made a complete investigation, and they reported that there was no evidence whatever to indicate any wrongdoing of any kind on the part of the Senator from Oregon. I thought I should make that perfectly clear, in view of certain news stories which appeared at the time.

THE PRESIDING OFFICER. The Chair calls the attention of Senators to the fact that with the adoption of the resolution, Senate Resolution 103, the call of the calendar has been completed.

MR. MORSE. Mr. President, will the acting majority leader yield to me on a question of privilege?

MR. HENDRICKSON. I am glad to yield to the Senator from Oregon.

MR. MORSE. Mr. President, I wish to address myself to a question of personal privilege. I did not know the Senator from Wisconsin was going to make any reference to my name in connection with the consideration of the resolution which has just been passed by the Senate. I appreciate the comments he made. There is no doubt about the fact that certain segments of the press have carried stories linking my name in a critical way by innuendoes and implications, which have no basis in fact, with the case referred to. I want to say on the floor of the Senate, as I have said to the Senator from Wisconsin and to the Senator from Illinois [Mr. DIRKSEN], who I see on the floor as well as to other members of the committee that any time the committee or any member of the committee wants me to appear before the committee—and this applies not only to the committee in question, but to all other committees—to answer questions, or to testify in regard to any phase of my political life, I am at their service. Furthermore, my files are open to them.

My record, Mr. President, in regard to this matter, and every other matter, will stand any public inspection any committee may care to make at any time.

MR. MCCARTHY. Mr. President, will the Senator yield?

MR. MORSE. I yield to the Senator from Wisconsin.

MR. MCCARTHY. I may say that the Senator from Oregon offered to come before our committee to give us any information which we desired, and to give us free access to any file he might have in connection with this matter. The staff made a complete check, and thereafter reported to us that there was no basis or ground for calling the Senator from Oregon before the committee. The staff reported that there was no evidence of any nature to indicate any wrongdoing of any kind whatever on the part of the Senator from Oregon. For that reason, we can see no reason whatever for asking the Senator to come before the committee.

MR. MORSE. Mr. President, I appreciate the statement of the Senator from Wisconsin. I simply want to make this assertion, which I stand ready to support, as to what my records will show. They will show what will be shown by the records of each and every other Senator, who tries to perform his duty to his constituents. Whenever a constituent comes to my office to ask for assistance in obtaining an appointment for the purpose of interviewing a Government official concerning what he considers to be a problem he has with the Government, I have done what every other Senator does in similar circumstances, and have extended to the constituent the courtesy

of rendering him the assistance he requested.

In each case I have made clear that the constituent must stand on the merits of his own case. I have never asked a Government official to consider a complaint or a problem raised by any constituent of mine except on the basis of the merits of the matter. No compensation, financial or otherwise, was ever paid to me for any service I ever rendered a constituent in connection with carrying out any of my work or duties as a Senator. If any representative of clients ever received fees from Oregon constituents or anyone else for services he rendered those clients as the result of any appointments he had with Government officials through any courtesy my office extended in arranging such appointments, I was no party in any way to the compensation. Every Senator knows that as Senators we would have no right to inquire into or interfere with the private contractual arrangements entered into between professional representatives and their clients.

I do not keep an FBI agent in my office to check into the background and business dealings of constituents who may visit my office. They are entitled to the kind of courteous service which I have rendered to all my constituents, including this particular one. When they make what appears to be a legitimate request for assistance with a problem they have with a Government department, I try to give them courteous treatment. That is one of the things they pay taxes for. That is the only position I have taken in regard to this case or any other case, and my files will show it.

I want to thank the entire committee for the courtesies which the committee has extended to me and for the clarifying statement the chairman of the committee has made on the floor of the Senate today. The chairman some days ago notified me that upon investigation the committee had no desire to call me before the committee nevertheless I wish to make clear to the Senator from Wisconsin [Mr. MCCARTHY], the Senator from Illinois [Mr. DIRKSEN], and other Senators on the committee that my offer to appear before the committee is a standing offer, and if any new developments occur, I am at their service.

LEAVE OF ABSENCE

MR. MORSE. Mr. President, I ask unanimous consent to be absent from the Senate beginning tomorrow and through Friday. Let me hasten to add that it is a matter of regret on my part that I shall not make my weekly committee report on Friday; but I shall make it next Monday if I may have consent to be absent.

THE PRESIDING OFFICER. (Mr. BUSH in the chair). Without objection, the Senator's request is reluctantly granted.

THIRD SUPPLEMENTAL APPROPRIATIONS, 1953

MR. HENDRICKSON. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 214, House bill 4664, making supplemental appropria-

tions for the fiscal year ending June 30, 1953, and for other purposes.

The PRESIDING OFFICER. The clerk will state the bill by title.

The LEGISLATIVE CLERK. A bill (H. R. 4664) making supplemental appropriations for the fiscal year ending June 30, 1953, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from New Jersey.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Appropriations with amendments.

Mr. HENDRICKSON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. HENDRICKSON. Mr. President, I ask unanimous consent that the order for a quorum call be rescinded and that further proceedings under the call be dispensed with.

Mr. CLEMENTS. Mr. President, I object to rescinding the order for a quorum call.

The PRESIDING OFFICER. The clerk will continue to call the roll.

The Chief Clerk resumed the call of the roll.

Mr. HENDRICKSON. Mr. President, I renew my unanimous-consent request that the order for the quorum call be vacated, and that further proceedings under the call be dispensed with.

The PRESIDING OFFICER. Is there objection? If not, the request is granted, and the order for the call of the roll is rescinded.

The Clerk will state the first committee amendment.

The first amendment of the Committee on Appropriations was, under the heading "Chapter I—District of Columbia, regulatory agencies, salaries and expenses, Office of Administrator of Rent Control," on page 2, line 15, after the figures "\$17,000", to insert "and the limitation of \$27,000 for payment of terminal leave only, in the appropriation of \$125,000 for necessary expenses for 'Office of Administrator of Rent Control,' contained in the Supplemental Appropriation Act, 1953, is reduced to \$5,850."

The amendment was agreed to.

The next amendment was, under the subhead "Veterans' services," on page 3, line 3, to strike out "\$3,000" and insert "\$5,000."

The amendment was agreed to.

The next amendment was, on page 3, after line 3, to insert:

OFFICE OF CIVIL DEFENSE
SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses, Office of Civil Defense," \$78,285.

The amendment was agreed to.

The next amendment was, on page 4, after line 19, to insert:

CHAPTER II
LEGISLATIVE BRANCH
Senate

Contingent Expenses of the Senate

Folding documents: The appropriation for folding documents contained in the Legis-

lative Branch Appropriation Act, 1953, is hereby amended to read "For folding speeches and pamphlets at a gross rate not exceeding \$2 per thousand or for the employment of personnel at a gross rate not exceeding \$1.53 per hour per person."

The amendment was agreed to.

The next amendment was, on page 5, after line 4, to insert:

Motor vehicles: For an additional amount for maintaining, exchanging, and equipping motor vehicles for carrying the mails and for official use of the offices of the Secretary and Sergeant at Arms, \$9,331.26, to be derived by transfer from the appropriation for "Folding documents," fiscal year 1953.

The amendment was agreed to.

The next amendment was, on page 5, after line 10, to insert:

Miscellaneous items: For an additional amount for "Miscellaneous items," exclusive of labor, \$55,000.

The amendment was agreed to.

The next amendment was, on page 5, after line 12, to insert:

Postage stamps: For an additional amount for postage stamps for the Office of the Sergeant at Arms of the Senate, \$175.

The amendment was agreed to.

The next amendment was, on page 5, after line 15, to insert:

ARCHITECT OF THE CAPITOL
CAPITOL BUILDINGS AND GROUNDS

Rotunda frieze, Capitol Building: For cleaning and restoring the sections of the Rotunda frieze decorated in fresco by Constantino Brumidi and Filippo Costaggini, \$15,000, to be expended by the Architect of the Capitol under the direction of the Joint Committee on the Library for personal and other services and all other necessary incidental items, without regard to section 3709 of the Revised Statutes, as amended, and to remain available until June 30, 1954.

The amendment was agreed to.

The next amendment was, on page 6, after line 2, to insert:

Senate Office Building: For an additional amount for "Senate Office Building," \$9,200, to remain available until June 30, 1954.

The amendment was agreed to.

The next amendment was, on page 6, after line 5, to insert:

THE JUDICIARY
OTHER COURTS AND SERVICES
Fees of jurors

For an additional amount for "Fees of jurors," \$350,000.

The amendment was agreed to.

The next amendment was, on page 6, after line 10, to insert:

CHAPTER III
DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Office of Education
Salaries and Expenses

For an additional amount for "Salaries and expenses," \$32,000, to be derived by transfer from the appropriation "Promotion and further development of vocational education," fiscal year 1953.

The amendment was agreed to.

The next amendment was, on page 6, line 20, to change the chapter number from "II" to "IV."

The amendment was agreed to.

The next amendment was, on page 7, after line 11, to insert:

RURAL ELECTRIFICATION ADMINISTRATION
LOAN AUTHORIZATIONS

For an additional amount for rural telephone loans in accordance with the Rural Electrification Act of 1936, as amended (7 U. S. C. 901-924), and for carrying out the provisions of section 7 thereof, to be borrowed from the Secretary of the Treasury in accordance with the provisions of section 3 (a) of said act, \$15,000,000.

Mr. BRIDGES. I think an explanation is required in connection with this amendment.

As Senators may recall, when this item was before the Senate in connection with a previous supplemental bill, there was included a transfer of loan authorization from rural electrification funds to rural telephones in the sum of \$15 million. That was reported by the Senate Committee on Appropriations and was passed by the Senate. It then went to conference with the House. As a result of differences of opinion in the conference with the House the section and the appropriation for rural telephones was eliminated.

Mr. CLEMENTS. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. CLEMENTS. I understand that this amendment does not make an additional appropriation of funds, but provides only a transfer of funds from rural electrification to rural telephones. Is that correct?

Mr. BRIDGES. No. That is what the situation was in the previous supplemental bill, I may say to the distinguished Senator from Kentucky. In the second supplemental bill it involved a transfer from rural electrification to rural telephones. It was the transfer which was objected to in the conference between the Senate and the House.

This is not an appropriation, but is authorization for REA to borrow from the Treasury up to \$15 million for the rural telephone program, which eventually, of course, if all goes as planned, would be returned to the Treasury by amortization of the telephone lines. The situation is a little different from the way in which the Senator from Kentucky stated it.

Mr. CLEMENTS. I thank the Senator from New Hampshire for his explanation.

Mr. LANGER. Mr. President, will the Senator from New Hampshire yield?

Mr. BRIDGES. I yield to the Senator from North Dakota.

Mr. LANGER. I was present in the Chamber until about 20 minutes ago, when I left to get lunch, so I did not hear the entire explanation about rural telephones. May I impose upon the good nature of the Senator from New Hampshire to give his explanation once more?

Mr. BRIDGES. Certainly. In the previous supplemental appropriations bill, an amount of \$15 million was taken from the Rural Electrification program, and, in effect, was transferred to the rural telephone program, because Rural Electrification seemed to have a surplus, while the rural telephones activity was in need of funds. Since the same general principle applied, it seemed wise to make the transfer. The item was reported by the committee to the Senate, it was passed by the Senate, and then went to

a conference between the Senate and the House.

Although the conferees made a compromise, when the conference report was considered in the House it was rejected.

This amendment is designed for the same purpose, but instead of transferring the funds, it provides for a new authorization—not a new appropriation, but a new authorization—for rural telephones to borrow from the Secretary of the Treasury up to \$15 million. This amount will eventually be repaid by amortization over a period of years, as the Senator from North Dakota knows.

Mr. LANGER. May I inquire of the Senator from New Hampshire if he is supporting this item?

Mr. BRIDGES. I am supporting it in behalf of the committee. As I understand the feeling of the Senator from North Dakota, this will accomplish what I believe he desires.

Mr. LANGER. I thank the Senator very much.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The PRESIDING OFFICER. The next committee amendment will be stated.

The next amendment was, on page 7, after line 19, to insert:

CHAPTER V

INDEPENDENT OFFICES

Economic Stabilization Agency

Salaries and Expenses

The amount made available under this head in the Supplemental Appropriation Act, 1953, for the Office of Rent Stabilization is hereby increased from "\$11 million" to "\$11,385,000."

Mr. WILLIAMS. Mr. President, I have an amendment I desire to offer at this point. Would it be all right to pass over the amendment until the others are disposed of?

The PRESIDING OFFICER. Without objection, the amendment will be passed over temporarily.

The clerk will state the next amendment of the committee.

The next amendment was, on page 8, after line 2, to insert:

VETERANS' ADMINISTRATION

SERVICEMEN'S INDEMNITIES

For an additional amount for "Servicemen's indemnities," \$650,000, to be derived by transfer from the appropriation "Compensation and pensions," and to remain available until expended.

The amendment was agreed to.

The next amendment was, on page 8, line 9, to change the chapter number from "III" to "VI"; and in line 11, to change the section number from "301" to "601."

The amendment was agreed to.

The next amendment was, on page 9, line 19, to change the section number from "302" to "602."

The amendment was agreed to.

The PRESIDING OFFICER. That completes the committee amendments, except the one that was passed over.

Mr. BRIDGES. As chairman of the committee, I send to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 5, after line 15, insert:

HOUSE OF REPRESENTATIVES

For payment to Mabel H. Withers, widow of Garrett L. Withers, late a Representative from the State of Kentucky, \$12,500.

Mr. BRIDGES. Representative Withers died since the bill was reported by the Senate Committee on Appropriations, and this amendment is offered in compliance with the usual tradition and rule.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New Hampshire.

The amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the committee amendment passed over.

The CHIEF CLERK. On page 7, after line 19, it is proposed to insert:

CHAPTER V

INDEPENDENT OFFICES

Economic Stabilization Agency

Salaries and Expenses

The amount made available under this head in the Supplemental Appropriation Act, 1953, for the Office of Rent Stabilization is hereby increased from "\$11,000,000" to "\$11,385,000."

Mr. WILLIAMS. Mr. President, I offer the amendment, which I send to the desk, to the committee amendment.

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The CHIEF CLERK. At the proper place in the bill it is proposed to insert the following proviso:

Notwithstanding any other provisions of the law—

1. No employee shall be eligible for annual leave payments in excess of 60 days.

2. Any employee who, having received annual leave payment, has been reemployed in any department or agency of the United States within 60 days after separation shall refund to the Federal Treasury an amount equal to the unused portion of his annual leave (or separation) payment.

Mr. HAYDEN. Mr. President, I should like to inquire of the Senator from Delaware if the amendment does not propose legislation on an appropriation bill.

Mr. WILLIAMS. I am reasonably certain that it is legislation on an appropriation bill. I ask unanimous consent that the rule be suspended, and that I be permitted to offer the amendment.

Mr. HAYDEN. Mr. President, it seems to me that this is a matter which ought to be considered by a legislative committee. It materially affects the existing law. I do not feel competent, as a member of the Committee on Appropriations, to pass upon a subject of this kind.

Mr. WILLIAMS. My reason for offering the amendment at this time, I may say to the Senator from Arizona, is this: This particular item in this appropriation bill is to provide \$385,000 for lump-sum separation pay or annual-leave payments to the employees of the Rent Stabilization Agency. I recognize that under the law we are obligated to make certain payments to such em-

ployees. I am not objecting to that. However, I point out that this is the agency which conceived the devious scheme whereby it could make a raid on the Federal Treasury by firing employees one day and rehiring them the next morning.

I have already called that situation to the attention of the Senate how that effective at 5 o'clock on one day the employees were separated and paid. The next morning at 9 o'clock they went back to the same office, walked in the same door, and were rehired. We do not want any repetition of that Pendergast machine.

My amendment would limit annual-leave payments to 60 days. I consider this liberal and it is all that Congress thought it had authorized. Also, if any of the employees are rehired in the same agency or any other Government agency after having received a lump-sum payment, they would be required to pay back into the Federal Treasury a sum representing the unused portion of their annual-leave payments. If they went back to work the next morning, they would pay it all back under my amendment.

Mr. HAYDEN. Mr. President, of course, it is entirely proper for the Senator from Delaware to criticize a particular agency. However, he is proposing on an appropriation bill general legislation which would apply to all agencies.

I should like to inquire of the Senator from Kansas [Mr. CARLSON], chairman of the Committee on Post Office and Civil Service, whether there is any legislation of this kind pending before his committee.

Mr. CARLSON. Mr. President, will the Senator from Delaware yield?

Mr. WILLIAMS. I yield to the Senator from Kansas for the purpose of making reply.

Mr. CARLSON. I will say to the Senator from Arizona that I just entered the Chamber. I am trying to check on the contents of the amendment offered by the Senator from Delaware. As I understand, it would affect annual leave.

Last week the House passed a bill dealing with the annual leave provisions. That bill is now before our committee. I wonder if it would be possible to take care of the situation in conjunction with that measure. What does the Senator have in mind?

Mr. WILLIAMS. I will say to the Senator from Kansas that the Committee on Post Office and Civil Service can and should still recommend much needed overall legislation clarifying annual leave payments. However, in the meantime it seems to me that Congress would be negligent if it allowed this particular agency, which originated a device which has been denounced by the Comptroller General as highly unethical, if not actually illegal, to repeat its past performance. It seems to me that Congress would be negligent if it were to give that agency \$385,000 to do again what it did once before. My amendment would prevent a recurrence.

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. HAYDEN. If the Senator objects to appropriating money in this bill, that is one thing. However, if he wishes to include in the bill legislation on the general subject, that is something else. I was trying to protect the jurisdiction of the legislative committee by objecting to any action of that kind being taken. For that reason I must insist on the point of order, that the amendment of the Senator from Delaware proposes legislation on an appropriation bill.

Mr. WILLIAMS. Mr. President, I wonder if the Senator from New Hampshire [Mr. BRIDGES] would be willing to let the bill go over until tomorrow, so that I may file formal notice with the Senate and bring up my amendment tomorrow, when we may have a vote on the proposal.

Mr. BRIDGES. I will say to the Senator from Delaware that while the Senator from New Hampshire is anxious to get appropriation bills through, this is a relatively small bill. The Senator from New Hampshire does not wish to foreclose the Senator from Delaware in his desire to have this issue brought to the foreground. Is it the intention of the Senator from Delaware to make a motion to suspend the rule?

Mr. WILLIAMS. Yes.

Mr. BRIDGES. And to give a day's notice, so that the question can be brought up and voted upon tomorrow?

Mr. WILLIAMS. That is correct.

Mr. BRIDGES. I do not wish to delay the bill unduly. I think some of the questions raised deserve attention. If some assurance can be given that the matter will be acted upon with reasonable speed, I shall not object. I do not desire to shut off the Senator. However, when the point of order is made, the only way the Senator can proceed is by giving notice of a motion to suspend the rule.

Mr. WILLIAMS. The Senator is correct.

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. HAYDEN. In the meantime, can the chairman of the Committee on Post Office and Civil Service advise the Senate by tomorrow what action his committee proposes to take on the House bill which has already been passed? I still believe that it is much better to have a legislative committee hold hearings on a question of this kind and act in the regular way rather than to have a Senator offer an amendment to an appropriation bill, when no one knows at the moment what the effect of it would be.

The PRESIDING OFFICER. Does the Senator from Arizona object?

Mr. HAYDEN. I did object.

The PRESIDING OFFICER. The objection is sustained.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. CARLSON. Generally speaking, I am opposed to legislation on appropriation bills. Such action frequently gets us into trouble.

I admit that our committee has not acted on this particular phase of this type of legislation. We received a bill

from the House yesterday, I believe. It is now before our committee. Regardless of what action is taken on this bill, I assure the Senator from Delaware that we will give the subject consideration as soon as we have an opportunity.

Mr. WILLIAMS. Mr. President, I appreciate the agreement of the Senator from New Hampshire, chairman of the Committee on Appropriations, to let the bill go over until tomorrow. I give notice now that I shall call up this amendment at that time. However, if it is desired to strike the appropriation from the bill entirely in order to give the committee an opportunity to act, I have no objection to that course. I am opposed to appropriating any more money for annual-leave payments for any of the agencies until we clarify the question of annual-leave payments.

I point out the fact that daily employees are being laid off. As we lay them off, let us be sure that we are not paying them 2 or 3 times, as was done once before. No doubt some of the employees laid off will find employment in some other agency. If they do, we do not want them to become eligible to draw separation pay by merely transferring to some other agency. I think this question should be acted upon one way or the other. I am perfectly willing to leave to the chairman of the Committee on Appropriations the choice of approach.

Mr. BRIDGES. Mr. President, so far as I am concerned, as chairman of the Committee on Appropriations, although an appropriation bill is a privileged matter anyway, I should like to have an agreement that this question will be taken up first tomorrow and disposed of, so that we may have action on the bill. The Appropriations Committee is very busy, and there are other bills to be considered.

The PRESIDING OFFICER. Does the Senator from New Hampshire wish to make a motion?

Mr. BRIDGES. Mr. President, I ask unanimous consent, if the bill goes over until tomorrow, that it be the first order of business tomorrow.

The PRESIDING OFFICER (Mr. BUSH in the chair). Is there objection?

Mr. LANGER. Mr. President, reserving the right to object—and I shall not object—frankly I cannot see why the distinguished chairman of the Committee on Post Office and Civil Service and his committee should be prevented from considering the entire subject. Certainly as a whole the people who work for the United States Government are a fine, honest group of workers who give a good day's work for an honest day's pay.

I do not understand why there should be an exception made in this particular case. Undoubtedly my friend from Delaware, as usual, has a very good case. However, I do not know anything about it, because I am no longer a member of the Committee on Post Office and Civil Service. I believe the Senator from Arizona [Mr. HAYDEN] is quite correct in his objection and in stating that the whole subject should be taken up in its entirety by the Committee on Post Office and Civil Service.

Mr. CLEMENTS. Mr. President, reserving the right to object—and I shall not object—I wonder whether the chairman of the Committee on Appropriations understood the statement which was made on the floor of the Senate by the majority leader with reference to the measures which will be taken up tomorrow, and the order in which they will be considered. The Senator from Ohio made a statement on that point earlier today.

Mr. BRIDGES. I was not in the Chamber at the time. I have been engaged in committee work at least a part of the time. I would appreciate it if the Senator from Kentucky would inform me on that point.

Mr. CLEMENTS. My understanding is the majority leader stated that the resolution providing additional funds for the Committee on Rules and Administration in connection with the New Mexico senatorial election would be taken up tomorrow, if it had not been disposed of previously, and also four other measures, namely, calendar Nos. 171, 225, 153, and 142, which are, respectively, Senate bills 1413, 15, 16, and 922. The majority leader stated they would be taken up tomorrow in that order.

Mr. WILLIAMS. I would say, Mr. President, that I would be willing to agree to limit debate on this question. It is a subject which could be debated in 15 or 20 minutes by each side, or I would be agreeable to set any time for debate which would be agreeable to the Senator from New Hampshire [Mr. BRIDGES]. In that way we would not delay the proceedings of the Senate. All I am asking is that the Senate register its approval or disapproval of the conduct of Government officials in this matter.

The PRESIDING OFFICER (Mr. BUSH in the chair). The Chair will advise the Senator from Kentucky [Mr. CLEMENTS] that there is no positive agreement recorded that any particular measure shall be the first order of business tomorrow. Therefore, the unanimous-consent request of the Senator from Delaware would be in order.

Mr. BRIDGES. Mr. President—

Mr. CLEMENTS. Mr. President, the Senator from Kentucky did not understand that it was an order of the Senate. I called the attention of the chairman of the Appropriations Committee to the statement which had been previously made by the majority leader.

The PRESIDING OFFICER. The Chair understands that to be the fact. He merely wishes to remind the Senate that no positive order had been entered.

Mr. HENDRICKSON. For the RECORD I should like to state that the list of bills read by the distinguished Senator from Kentucky [Mr. CLEMENTS] was stated by the majority leader as the tentative schedule for tomorrow.

Mr. SPARKMAN. The Senator from New Jersey will recall that the Senator from South Carolina [Mr. MAYBANK], just before he left the floor, addressed the majority leader, the Senator from Ohio [Mr. TAFT], and got what I understood to be the very positive declaration from the majority leader that in the

event the resolution having relation to the New Mexico election case should be disposed of earlier, the bill mentioned by the Senator from South Carolina [Mr. MAYBANK] would be taken up next, and might be the first order of business tomorrow.

Mr. HENDRICKSON. I remind the Senator from Alabama that the bill to which he has referred is on the list read by the Senator from Kentucky [Mr. CLEMENTS].

Mr. SPARKMAN. It is the second bill.

Mr. HENDRICKSON. No; it is not the second bill. I do not believe the list was made up in any particular order.

Mr. SPARKMAN. After the Senator from South Carolina [Mr. MAYBANK] withdrew his objection, I heard the majority leader clearly state that the bill referred to by the Senator from South Carolina would be the first order of business, provided the Senate had disposed of the resolution regarding the New Mexico election case by that time.

Mr. HENDRICKSON. But there was no agreement to that effect.

Mr. CARLSON. Mr. President, reserving the right to object, I believe it is unfortunate to write this type of legislation on an appropriation bill. I have taken that position consistently during the years. Yet here we are, on one of the first appropriation bills this year, starting to do exactly that. I will object.

The PRESIDING OFFICER. Objection is heard. The question is on agreeing to the amendment offered by the Senator from Delaware to the committee amendment on page 7, line 19.

Mr. WILLIAMS. Mr. President, in view of the fact that objection has been made to offering my first amendment, I now move that the Senate strike out the committee amendment in its entirety and that the \$385,000 appropriation for the funds covering leave payments await action by the committee. I respect the rights of the Committee on Post Office and Civil Service to determine the matter. However, I hope that the committee will act promptly. After the committee has acted, the Senate can then make an appropriation for this agency. In the meantime I point out that the reason they are asking for \$385,000 more to make these lump-sum payments is because of the highly unethical, if not actually illegal, separation payments which they have made in the months heretofore.

We appropriated the money last year to take care of this agency but they recklessly squandered it by adopting this "fire-rehire racket."

I point out again that we are not trying to take away from bona fide employees what they are entitled to. All we are trying to do is stop a repetition of the disgraceful practice which was exposed in recent weeks, namely, the raiding of the United States Treasury for making lump-sum annual payments under the guise of separating persons from the Government service, when in fact they were not being separated. I wonder whether the chairman of the committee would agree to strike out the amendment until we determine how

much will be due with the corrected law.

Mr. CARLSON. Mr. President, I support the Senator from Delaware in his motion to strike out the section to which he has referred until we have had an opportunity to look into the subject. I, too, want to state that the regular civil-service employees need have no fear that they will not get their just payments. However, we wish to have an opportunity to look into the matter. I hope the Senate will go along with the request of the Senator from Delaware.

Mr. BRIDGES. Mr. President, I believe we should understand what we are about to do. There is no new money in the committee amendment. Legislation has been passed with respect to an extension of the Economic Stabilization Agency, eliminating a number of its duties and extending others. From the total amount previously appropriated, by means of this committee amendment we are increasing from \$11 million to \$11,385,000 the funds available. They are not new funds. They had been previously appropriated for the full Agency. What we did was to extend the rent division. Therefore we are making available now for the rent division a certain amount of money which previously was assigned to another division of the Agency.

Last week we extended rent control until July 31, 1953. If we had not extended rent control we could have left the Amount as it was, and the Agency would have had sufficient money with which to close up its functions and release its employees and pay them. However, since Congress has extended rent control, we must provide more money, not only a sufficient amount with which to close certain divisions of this Agency and enable them to pay their employees, but also a sufficient amount of money to continue the employment of the administrator of rent control until July 31.

Furthermore, I do not know whether there will be another supplemental bill to come before Congress this year. The only other appropriation bills to come before us, so far as we know now, are those for the coming fiscal year, which will begin on July 1. Therefore, if we fail to act on this matter now in this bill, I do not know what the situation will be. Another supplemental appropriation bill may come before us, but we have no intimation of it now.

Mr. HAYDEN. Mr. President, will the Senator from Delaware yield to me?

Mr. WILLIAMS. I yield.

Mr. HAYDEN. My understanding is that if funds are not appropriated, the employees affected will have to be discharged at once, and there will be no one to carry on the functions of rent control for the next 2 months.

Mr. BRIDGES. Let me say that may be, in part, the effect.

Mr. HAYDEN. If that be the case, and if the employees are discharged, under existing law they will be entitled to their terminal leave.

Mr. WILLIAMS. If the situation referred to by the Senator from Arizona is the correct one, is it not likewise correct that the only reason that would be so is that this particular agency has wasted

the funds Congress appropriated for it last year? I refer to the funds appropriated last year for the running of this agency during the period mentioned.

The funds now proposed to be appropriated are not for the purpose of taking care of the rent stabilization agency for the next 3 to 6 months, for on page 3 of the report we find the following statement:

Additional funds for the year 1953 will be required if legislation extending Federal rent control is enacted.

Mr. HAYDEN. And such legislation has been enacted.

Mr. WILLIAMS. Yes; and therefore additional funds will be needed.

Mr. HAYDEN. That is correct.

Mr. WILLIAMS. However, that has no relationship to the \$385,000 now requested in today's appropriation. The report submitted in connection with the bill clearly states that additional funds will be needed to take care of the extension of the rent stabilization agency.

Mr. HAYDEN. That is exactly what has happened, and nothing else. We have extended the life of the agency, and these persons will be employed. If there is to be rent control, the employees will have to be paid.

Mr. WILLIAMS. I am perfectly willing to go along with that, but I point out that the \$385,000 covered by this committee amendment is for nothing more than the payment of annual leave. If that is not true, and if the \$385,000 is for the salaries of the employees needed for the continuation of the agency, we can very readily solve that matter by merely including another amendment to the effect that no portion of this fund shall be used for annual leave payments. This will automatically leave the \$385,000 available to pay the salaries if that is what you intend.

Mr. HAYDEN. Where would we be then, if no action were taken at the end of the time and if rent control were discontinued? Under the law, every one of these employees would have a valid claim, which he could collect, for his annual leave, because he would have earned it under existing law.

Mr. WILLIAMS. I recognize it is a valid claim, and I shall support on the floor of the Senate the appropriations needed to pay any claim which I think is due.

All I am asking is that we make sure that we do not pay again something that is not justly due to the employees in this agency or in any other agency.

Mr. HAYDEN. All I can understand from what the Senator from Delaware has said is that he has absolutely no confidence in the Administrator who now is in charge of the Agency, and the Senator from Delaware believes that that Administrator, as such, will deliberately violate the law. That is all I can make out of the statement the Senator from Delaware has made.

Mr. WILLIAMS. I do not say that. However, has the Senator from Arizona read the report that the Comptroller General made in regard to what happened in this particular agency?

Mr. HAYDEN. Yes; I read the newspaper accounts of it, and, undoubtedly,

the situation was scandalous. However, that does not mean that the Comptroller General thinks that situation will be repeated, and that therefore we should not appropriate any funds, but should require the employees of this agency to go to the Court of Claims in order to collect.

Mr. WILLIAMS. It is not a matter of what I think. The Comptroller General has said that under existing law these payments have been made, and will continue to be made, unless Congress corrects the law; and we are a part of Congress.

Mr. HAYDEN. That is a function of the Senate Committee on Post Office and Civil Service, and undoubtedly that committee will proceed to recommend steps to correct the law, so that such situation cannot again rise.

However, in this instance, these employees must be paid for the next 2 months if they are to perform their duties, and if this agency goes out of business, the employees must be paid their terminal leave.

The Senator from Delaware is perfectly willing to see them paid, but he wants to compel them to go to the Court of Claims in order to obtain payment.

Mr. WILLIAMS. No; they can come to the Congress, but I want to be sure that we know what we are paying.

I wish to point out another discrepancy in the law, as it has been interpreted by the previous administration. Congress passed the law and in doing so Congress thought the annual leave would be limited to 60 days. However, while it has been ruled that 60 days is the maximum amount that can be accumulated to the end of the year, an employee is allowed to accumulate 26 days of annual leave during the succeeding year. If an employee begins a year with 60 days' annual leave accumulation, and if during the year he accumulates 26 more days of annual leave, and is separated from the service or resigns 1 day before the year elapses, he can collect annual leave for the 60 days, plus the additional 26 days, whereas if he works 1 day longer, he cannot collect for the additional 26 days, plus the 60 days. Such a situation is absurd.

Mr. HAYDEN. But now we have a new administration and a new administrator, and the Senator from Delaware should have confidence that what he complains about will not be allowed to occur.

Mr. WILLIAMS. I have confidence in the new administration, and the President has issued an order to the effect that none of the top-level employees of the various agencies can in the future participate in such raids on the Federal Treasury, as was permitted by the executive branch under the old administration.

I am proud to say that the Cabinet officers and others in the new administration have been told that in accepting their jobs, they will not be eligible for such payments; and the President has also recommended that Congress correct the law and plug this loophole. However, this Executive order does not stop the repudiated bureaucrats of the Truman regime from this last raid on the Treasury. Congress alone can stop that by

outlawing the practice. This is our first opportunity to meet that responsibility.

Mr. HAYDEN. The way to correct the law is by taking the appropriate action through the regular legislative committee. The Senator from Delaware agrees that any service rendered prior to correction of the law will constitute a valid claim which will have to be paid. So not a cent would be saved to the taxpayers of the United States if we were to adopt the amendment the Senator from Delaware proposes. Thus it seems to me that it would be merely a waste of effort to adopt such an amendment.

Mr. WILLIAMS. Mr. President, if we do not save a cent by adopting the amendment, at least I point out that the Senator from Arizona should not object, because if no agency is able to make such a raid, I will be satisfied, he will be satisfied, and everyone else will be satisfied. So let us adopt the amendment to the committee amendment.

I think the Senator from Arizona is well aware of the fact that adoption of the amendment to the committee amendment would save money, in that there would not be any more of these raids.

Mr. HAYDEN. Mr. President, if legislation of the sort being discussed by the Senator from Delaware were to be enacted, that would be one thing. However, he now seeks to have passed on the floor of the Senate, in connection with the consideration of an appropriation bill, legislation which appropriately should come first before a committee. I would object to the course the Senator from Delaware proposes.

On the other hand, I am certain the amendment he proposes would not save a cent.

Mr. CARLSON. Mr. President, will the Senator from Delaware yield to me for a question?

Mr. WILLIAMS. I yield.

Mr. CARLSON. Do I correctly understand that if the proposal of the Senator from Delaware were adopted by the Senate, there would be no funds with which to pay the salaries of the employees of the rent-control agency, if we were to re-create it or to extend it?

Mr. WILLIAMS. My amendment has nothing to do with that subject. The committee report says that to the extent the agency is extended new funds will be needed.

However, in order to make sure that we would not be restricting the operations of the agency, I would support an amendment providing that the operations of the agency be allowed to be continued. Let the Senate accept an amendment in the nature of a proviso that none of the funds be used for separation payments or annual-leave payments pending the decision of the Congress.

If the intention is as the Senator from Arizona claims, namely, to use these funds merely to pay the salaries of the employees, the adoption of such an amendment would accomplish this purpose. However, I do not think that is intended.

Mr. CARLSON. I would be opposed to elimination of the funds required for the payment of the salaries of the em-

ployees of an agency we have extended. However, I am not opposed to taking a little time to look into some of the annual-leave payments, with the distinct understanding that those who are entitled to them—and, so far as I know, all the employees may be entitled to them—would receive them.

Then, at a very early date, I would urge the Appropriations Committee to bring in a measure appropriating the necessary funds, if such funds are required by this measure.

On the other hand, I do not want the Senator from Delaware to receive the impression that I would oppose the appropriation of funds for an agency which we have re-created or extended, and when such funds are needed in order to pay the salaries of the employees of the agency.

Mr. WILLIAMS. It is my understanding that the funds are not required in connection with the extension of the agency. However, that matter could be cleared up by merely restricting the use of the funds to payments for salary purposes only.

Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Delaware will state it.

Mr. WILLIAMS. Such an amendment would be in order, would it not—in other words, an amendment providing such a limitation on the funds?

The PRESIDING OFFICER. An amendment providing a limitation on the use of the funds would be in order.

Mr. WILLIAMS. Then, Mr. President, in order to clarify the situation, I move that the amendment be amended in such manner that no funds provided in this bill shall be used for annual-leave payments.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Delaware to the committee amendment.

Mr. BRIDGES. Mr. President, before action is taken on the pending question, I think we should have a clear understanding of the situation.

There remains for this agency, for the last 2 months of the present fiscal year, namely, May and June, \$1,084,555. It is estimated that the cost for the agency for May will be \$583,900, and that the cost for this agency for June will be \$526,900, or a total of \$1,110,800.

The agency proposes to release or discharge 210 employees on May 30, and 148 more employees on June 30, or a total of 358 employees. If those 358 employees were paid their terminal pay, which under the existing conditions they claim, the amount would be \$384,855. I may say that the Appropriations Committee did not allow them the full amount they requested. They requested an item representing an increase of \$529,000. In providing an increase of \$385,000, it is very clearly to be seen that we failed to go as far as they desired. But we have felt that such a sum would take care of the definite obligations.

As the Senator from Delaware has pointed out very clearly, it includes the terminal-leave pay for the 358 people. The only desire I have is that the Senate may understand exactly what is pro-

posed. The motion of the Senator from Delaware would limit it solely to terminal-leave pay for all the 358 employees, leaving it to be determined later how much they shall get, and how they shall get it. That is what the Senator is attempting to do.

Mr. WILLIAMS. That is correct, and that would be determined by the legislation which would be reported. I may say to the Senator from New Hampshire that I will join in supporting appropriations to make possible the payment of whatever is required, once the amount has been established. My understanding is that the \$385,000 is for annual-leave payments only.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield to the Senator from North Dakota.

Mr. LANGER. Does the Senator from New Hampshire think it fair to treat 358 people differently from the manner in which other Federal employees are treated?

Mr. BRIDGES. No. I think all Federal employees should be treated alike.

Mr. LANGER. Mr. President, if the Senator from New Hampshire will yield further, does he believe that it would be fair to the 358 employees, who may be needing the money in order that they may pay doctors' bills or rent, and who have been depending upon this financial aid, during weeks and months, suddenly to deprive them of something to which they are honestly entitled under the present law?

Mr. BRIDGES. No; I do not think it would be fair. I want to say to the Senator from North Dakota, I see what the Senator from Delaware is getting at. He is upset—and justly so—because of the abuse which has been practiced on the Government, and he is endeavoring, by means of this bill, to correct the abuses.

Mr. WILLIAMS. Mr. President, I should like to say to the Senator from New Hampshire—

The PRESIDING OFFICER. The Chair would like to request the Senator from Delaware to inform the Chair concerning his amendment. The clerk has it recorded as applying to annual-leave payments, whereas it is thought that perhaps the Senator intended it to apply to terminal-leave payments.

Mr. WILLIAMS. I think the legal definition would be annual leave. We were referring to it here as terminal-leave payments, on the assumption that the individuals were to be separated from the service. I may say to the Senator from North Dakota, I am just as sympathetic as he is to the need of these employees for the money, to be used in the payment of rent, doctor's bills, and so forth. But, to get down to the exact meat of this case, I point out that this whole problem arose from the manner in which this act was misinterpreted, or mishandled, by the same agency with which we are presently dealing. The first misuse originated on the part of a man who needed money, as he said, not for the purpose of paying rent, not for the payment of doctor bills,

but because he wanted to buy a \$20,000 home. So he conceived the unique device of getting himself discharged, collecting \$3,654.75 as separation pay, and resuming his employment. He never missed a day. It was on Saturday night that he was discharged and collected his separation pay. On the following Monday morning, at 9 o'clock, he walked back into the same office, and entered upon the duties of the same position as the one he had previously held, and with the same pay. I am not pitying too much this poor little individual for whom the Senator from North Dakota is shedding crocodile tears. Remember this poor little fellow was also drawing over \$10,000 per year as the general counsel of this Agency.

Mr. LANGER. Mr. President, will the Senator yield for a question?

Mr. WILLIAMS. I yield to the Senator from North Dakota.

Mr. LANGER. Does the Senator from Delaware believe that the 358 employees, inconsequentially placed, for the most part, ought to be blamed because the head of the department does something that is wrong?

Mr. WILLIAMS. The 358 employees, occupying inconsequential positions, as the Senator says, will lose nothing to which they are entitled. According to the Senator from New Hampshire, they are not supposed to be separated from the service until May 30. Between now and the date of separation, there is ample opportunity for the enactment of legislation, and the appropriation of money with which to pay them such sums as they deserve. But I point out that many of the employees involved are not so inconsequential. We are proposing to close up an agency, and the top-level employees, unless we correct the law, are going to draw just what the Cabinet officers in the last administration drew, namely, large bonuses.

I tried to ascertain whether some of the Cabinet officers conducted their political campaigns last November at the expense of the taxpayers. I have received a letter stating that, by virtue of their position, it would be beneath the dignity of a Cabinet officer to keep a record of his annual leave or vacation time. I was told that the Comptroller General had ruled that their positions were so exalted that they did not have to render an accounting as did other employees. I took the matter up with the Comptroller General, requesting that he furnish me a copy of any such ruling, exempting Cabinet officers from the rules that are applicable to all other Government employees. So far they have found no such ruling. Mr. President, I may say I am sick and tired of such payments to all the top-level repudiated bureaucrats, some of whom never made a living until they went to work for the Government. I want to see them get out and go to work. I think a great many people, on November 4 last, voted to put them to work. I want to be sure that they get off the Government payroll without this last minute raid on a fund which was set up to protect the regular employee

upon his bona fide separation or vacations.

Mr. LANGER. Mr. President, will the Senator yield for a question?

Mr. WILLIAMS. I yield further to the Senator from North Dakota.

Mr. LANGER. I certainly will join the distinguished Senator from Delaware in making the former Cabinet officers and bureaucrats work. If he can devise some method of making them work, I say God bless him, and I will go along with him. But let me say there are a great many poor employees. For example, a woman with two or three small children, or a woman who has worked for 25 or 30 years, who has a dependent mother or aunt, merely lives from hand to mouth because, in spite of what my distinguished friend says, the pay of Federal employees is, in my opinion, far too low. While the cost of living has gone up and up, the pay of the Federal employees has not kept pace with it.

Mr. WILLIAMS. Mr. President, if the Senator will yield, I should like to reply to his statement.

Mr. LANGER. I should like to finish my question.

Mr. WILLIAMS. I fear I shall forget the first part of it.

Mr. LANGER. The amount involved is only a few dollars in the case of each individual. These employees are dependent upon the money, perhaps for use in paying for some household article, such as a piece of furniture, or for use in paying a doctor's bill or some other bill. Would it not be unfair to say we are going to wait until May 30? Even then, it might be another month or 2 or 3 months before the employees could get that to which they are entitled under the present law.

The only justification offered by the Senator for the proposal is that he desires to compel certain former Cabinet officers and bureaucrats to go to work. I repeat, I sincerely hope he is able to accomplish that objective. But I do not think he ought to do so at the expense of these poor employees.

Mr. WILLIAMS. Mr. President, I may say to the Senator from North Dakota that the people about whom he is talking—and there is no use putting this down to the point that these people are going to starve to death—they are on the payroll until May 30, they will be drawing their pay; and, between now and May 30, we will have opportunity to clear this question up, and their pay will be ready for them on May 30. If the Senator from North Dakota will join with me in suspending the rules and adopting the amendment which I offered previous to this argument every employee will be paid. If the Senator from North Dakota is ready to go along with this suggestion, it would make it possible to pay the employees all that they are entitled to as Members of Congress understood the law. It would not pay what some of them are getting as the laws were interpreted by some of the so-called bureaucratic experts, who wanted to

make one last grab from the Treasury on their way out.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. LANGER. I shall be delighted to join with the Senator from Delaware in any deal which will make the bureaucrats work or prevent them from getting money in the way he has described, but I think it is wrong for the Government, which is pouring out millions of dollars to almost every country on the face of the earth, to pick out a handful of Federal employees who are doing an honest day's work for small pay, and say to them, "We are not going to give you the money to which you are entitled."

Mr. WILLIAMS. The whole principle involved should be corrected. The regular Federal employees want justice, not pity.

Mr. LANGER. That is correct—after proper hearing; but it should not be corrected by trying to legislate in connection with an appropriation bill.

Mr. WILLIAMS. I served under the Senator from North Dakota when he was chairman of the Civil Service Committee, and I have just as much respect for the rights of employees as he has. But I point out that the legislation under which this loophole developed was reported by the Committee on Post Office and Civil Service, while the Senator from North Dakota was chairman of the committee, and I think he should be the first to join me in trying to help correct the error. The reason why hundreds of thousands of employees are today confronted with an annual-leave program which is discredited in the eyes of the American people is because certain top-level bureaucrats have misused the law. It does not do a bit of good to stand on the floor of the Senate and say, "We are against this and against that," and then vote the other way.

I promised to yield to my colleague from Delaware.

Mr. FREAR. Mr. President, before I pose a question I should like to make a brief comment.

I think we should congratulate President Eisenhower on the selection of his Cabinet, because I doubt that there is any member of the Cabinet who would need to depend on terminal-leave pay if he severed his connection with the Cabinet.

If I correctly understand the figures given by the Chairman of the Appropriations Committee, at the end of June 358 employees will be discharged from this agency, and we are providing \$385,000 to pay the annual terminal leave.

Based on the figures given, they receive an annual salary of \$5,370, on the average. I do not think that is a meager salary for a Government employee.

Mr. WILLIAMS. I think my colleague is correct. I also point out that the misuse of the terminal-leave payment was not on the part of the lowest-paid employees. There are very few instances in which we have found that the lower-paid employees were allowed to take advantage of the loophole. It was a plan which was designed by the executive branch and put into effect and utilized

only by the top executives as a device whereby they could get a little extra money. They did not pass down this opportunity to the employees who were actually doing the work. My amendment would not take away from any of the employees what we intended them to have. It merely expresses the idea that we are tired of the raid on the Federal Treasury which has been denounced throughout the Nation. It was denounced by the Comptroller General of the United States as being highly unethical, if not actually illegal. The Attorney General is still studying the case to determine whether the Government should be repaid. I think we certainly have an obligation to stop the practice. The only way we can do so is to stop appropriating the money, and amend the law.

Mr. PASTORE. Mr. President, will the Senator from Delaware yield?

Mr. WILLIAMS. I yield.

Mr. PASTORE. I assume that what we are trying to do is to prevent such abuses as occurred in the past. Would the Senator be willing to accept a modification of his motion by inserting the words "unless the Administrator shall certify the payment of such annual leave"? That would place the responsibility at the doorstep of the man in whom the Senator from Delaware seems to have a great deal of confidence. He would personally have to scrutinize each case and do administratively what he should be doing. In other words, there is nothing wrong with the annual leave situation itself, except with respect to the top echelon employees who had the responsibility of seeing that the payments were properly made, but turned their backs on their responsibility.

If the money is to be paid, and the little fellows are exjacting to pay their rent and their medical bills, then, what we should do is to say in the bill that none of the annual leave can be paid unless each case is personally certified by the administrator.

Mr. WILLIAMS. The present Administrator of this particular agency has already denounced the program. He said he had denounced it at the time it was inaugurated, months ago. He said he thought it was highly unethical, if not actually illegal, and he personally refused to accept any payment. He refused to allow in his own department any secretary or anyone else to accept these payments. But there has been an administrative interpretation placed upon the Annual Leave Act as it is now on the books, and the present Administrator would be morally bound to carry out the act as it has been interpreted until the Congress has rewritten the law.

In this particular case I have confidence in the Administrator that he would do the best he could, but he would have to carry out the law as it is now being interpreted.

Congress must rewrite the law. My proposed amendment provides that no employee shall be eligible for annual leave payments in excess of 60 days, and that any employee who having received annual leave payment is reemployed in any department or agency of the United States within 60 days after separation

shall refund to the Federal Treasury an amount equal to the unused portion of his annual leave of separation payment.

Let us assume his 60-day accumulation amounts to \$2,000. Thirty days later he receives a job with the Government. He would refund half of the money.

Mr. PASTORE. Mr. President, will the Senator from Delaware yield?

Mr. WILLIAMS. I yield.

Mr. PASTORE. As I understand the situation, these employees are being separated from the service through no voluntary act of their own. They are being dismissed because the activities of their department are coming to an end. A few employees have accumulated annual leave. They cannot take it because their time is up. They are entitled to it under the law. If at a later time they should reenter the Government service, why should they be denied the compensation which they have lawfully earned? There is a difference between taking a job for the purpose of cashing in on annual leave and being laid off and later getting a job with the Government.

Mr. WILLIAMS. I point out this one difference. Some of the employees are going to continue working, because rent stabilization is being extended 3 months. Therefore, some of them will continue working without any interruption. Last year, when a similar case arose, the administrator gave every employee written notice that they were going to be separated. Congress extended the life of the agency, and 90 percent of the employees continued in their jobs without an hour's interruption, but because they had received notice of separation every one of them that wanted to drew their lump-sum payment. They never lost a day. They continued working at the same desks and at the same salaries.

While it is true there is a difference in connection with those who are actually separated in a bona fide separation, and that would be true of three-fourths of the employees, there are going to be some who will be continued throughout. Unless some restrictions are adopted, those who will continue can, under the existing interpretation, draw a separation payment effective April 30, then they can go back to work May 1. We do not want that to happen.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. PASTORE. Does not the Senator from Delaware feel that the administrator is absolutely competent to decide that?

Mr. WILLIAMS. Surely, and he has decided it and asked the Congress to correct the law. That is what I am now trying to do.

Mr. PASTORE. That is all I am suggesting in my amendment.

Mr. WILLIAMS. I again point out to the Senator from Rhode Island that the present administrator has asked Congress to clarify the law, so that he will not have to make payments to employees which he does not believe are justified.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. PASTORE. I quite agree that the whole matter should be studied by the committee, but I do not see how the committee is going to change the legality of the situation if these employees, under the law, have already earned their annual leave. If they are being separated from the Government service through no act of their own, if they are being laid off because an agency is coming to an end, or if they are being laid off for some other legitimate reason, and the administrator decides that they can and should be paid their annual leave, I do not see how any investigation by Congress will change that, unless we turn our back on a contract we have made with Federal employees.

Mr. WILLIAMS. No one is saying that we should turn our back on contracts, but we should pass laws to protect the American people against bureaucrats who would misuse the practice.

Glaring examples have been pointed out of such misuse. Surely the Senator from Rhode Island is not defending them. Different agencies have misused the practice, and all that we are trying to do is stop the abuse. It is not intended to affect one single, bona fide Government employee from his separation payment or his annual leave. I believe in the principle of legitimate annual leave. I think it is fair. I have supported it, and I will continue to support it.

I will support an appropriation to pay what employees are honestly entitled to, but I do not want to continue appropriating money to make improper payments to a lot of broken-down bureaucrats.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. PASTORE. What bothers me is that if the Senator is willing to admit that annual leave is proper, if he is willing to admit that the employees who are separated from the Government service are entitled to their separation pay, there is no need for a change in the law. I cannot conceive of what change he could make by any law.

Mr. WILLIAMS. That answer is very simple. The change needed is to stop Cabinet officers and other top-level appointees, including discredited Treasury officials, from raiding the Federal Treasury, as was done under the Truman administration.

What is wrong with the amendment I have offered?

Mr. PASTORE. I do not see what is wrong with placing the responsibility right in the lap of the Administrator, and let him certify each case.

Mr. WILLIAMS. On November 4, 1952, the American people decided that this Government would be a Government of laws, not a Government by administrative decisions. We have had a change of administration, and that is what the people wanted. Congress must accept its own responsibility and write laws as it is intended they should be written, not pass the buck back to an Administrator, give him a million dollars, and say, "You do what you think is best." I do not like

what has been done before under that loose practice.

Mr. PASTORE. I subscribe to that. I believe ours is a Government of laws. I believe we should have an annual-leave law, and we ought to clarify the law as to what annual leave is. On the other hand, I do not think we have to pass an act of Congress every time an employee of the Federal Government collects a paycheck. That is what is being attempted here.

We have passed an annual-leave law, saying to employees, "You are entitled to a certain amount of annual leave every year." We have also recognized the fact that when an employee is separated from the Government service through no fault of his own, he is entitled to a cash payment. That is the law. All we are saying is, "If you are entitled to it, you should be paid." We cannot glamorize and sensationalize this matter. These employees should not be paid their money unless they are entitled to it, and I think the man who is responsible is the Administrator. If he cannot exercise that responsibility, he is the one who should be fired.

Mr. WILLIAMS. The Senator from Rhode Island says the administrator is the one who is responsible; but remember there have been some administrators who were not so good.

Again I say that Congress has the responsibility to determine whether we want these payments to continue as they have been made.

The law reads very plainly, that it was set up to take care of separations of Government employees who are separated from the Government service through no act of their own, but much to the surprise of many of us, and perhaps to the surprise of the Senator from Rhode Island, an interpretation was placed upon the words "separation through no act of their own" to mean that executive officers, including Cabinet officers, who were separated as a result of the elections, were entitled to this pay and therefore they claimed separation pay averaging around \$5,000 apiece. That is not the interpretation Congress intended. I do not believe there is a Senator on the floor, including the Senator from Rhode Island, who will stand up and defend that. The law was designed to take care of regular employees who are separated through no act of their own. It was never intended to take care of Cabinet officers or any administration official who loses his job solely because the American people repudiates him.

Mr. PASTORE. I am not defending any annual leave received by any Cabinet officer. Whether right or wrong, I am not now prepared to say. But I am now defending the action with respect to 358 employees, small people, in this agency, whose positions Congress is going to terminate in a period of 3 months. These employees have already been given notice of separation. The committee has already been apprised of the fact. We have already suggested an appropriation for the payment of their annual leave.

The Senator from Delaware cannot stand on the floor now and say that this is an illegal act. He cannot say these employees are not entitled to this money. He can only say they are entitled to the money. If they are entitled to the money, let the Administrator certify the fact, and let us do our jobs as Members of Congress by seeing to it that the money is available with which to pay them.

I am not defending any abuse by any Cabinet officer. I am defending 358 small employees who are going to lose their jobs within a matter of days.

Mr. WILLIAMS. The Senator from Rhode Island points out that I cannot say that a single one of those 358 employees is not to be separated in a bona fide manner. To that extent, he is correct. Likewise, the Senator from Rhode Island cannot point out with any force or any factual information that some of those 358 employees are not going to be paid their annual-leave payments on a fictitious separation notice and never lose their job, but continue right on in the portion of the agency which we are extending.

Some of those men are still going to be retained. I point out a specific example. Mr. DuPree, former General Counsel of the Rent Stabilization Agency, the same one who took the \$3,500 payment on the basis that Congress was going to close up the Agency about a year ago, notified himself that he was going to be separated. He took his separation payment. He reemployed himself and kept right on working. It can be done again. I do not say that it is going to be done; however, it is to prevent that possibility that the amendment is offered. There may be another DuPree who will conceive the bright idea, "Here is a chance for me to get a little extra money."

I am perfectly willing to pay any employee every dollar that is due him on the day he leaves the service, if he is really separated from the service. If he is not separated from the service he is not entitled to any payment.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. WILLIAMS. Mr. President, I should like to ask the Senator from New Hampshire a question first. Would the Senator from New Hampshire be willing to carry this matter over in order that we may have a vote on the proposal tomorrow, with the understanding that debate be limited to 15 minutes on each side? In that way we can have a prompt vote on the question of suspending the rule.

Mr. BRIDGES. Mr. President, I have no objection. Earlier I submitted a unanimous-consent request, to which the Senator from Kansas [Mr. CARLSON] objected. I should like to see the bill disposed of as soon as possible. If we could be sure of action tomorrow, I would have no objection.

Mr. LANGER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. LANGER. What is pending?

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Delaware [Mr. WILLIAMS].

Mr. WILLIAMS. Mr. President, I ask unanimous consent that the bill go over until tomorrow, and that immediately on the convening of the Senate, the Senate proceed to the consideration of the bill, with debate limited to 15 minutes to each side.

Mr. LANGER. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. PASTORE. Mr. President, I offer an amendment to the amendment of the Senator from Delaware, to add the following words: "unless the Administrator shall personally certify the payment of such annual leave."

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Rhode Island [Mr. PASTORE] to the amendment of the Senator from Delaware [Mr. WILLIAMS].

Mr. WILLIAMS. Mr. President, I point out that that amendment would completely nullify my corrective amendment. If that modification were accepted, it would defeat the purpose of the entire amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Rhode Island to the amendment of the Senator from Delaware. [Putting the question.]

Mr. WILLIAMS. Mr. President, I ask for a division.

On a division, the amendment to the amendment was agreed to.

Mr. WILLIAMS. Mr. President, I withdraw the amendment which I offered.

The PRESIDING OFFICER. Is there objection to the withdrawal of the amendment of the Senator from Delaware?

Mr. PASTORE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. PASTORE. If the amendment of the Senator from Delaware is withdrawn, how does that leave the situation?

The PRESIDING OFFICER. As it was.

Mr. PASTORE. I have no objection.

The PRESIDING OFFICER. Without objection, the amendment—

Mr. HAYDEN. Mr. President, reserving the right to object, I should like to inquire of the Senator from Delaware whether or not he intends to offer another amendment, or whether he intends to let the bill pass.

Mr. WILLIAMS. I will tell the Senator from Arizona in due time what I intend to do.

Mr. HAYDEN. Then, I object.

Mr. WILLIAMS. That is all right.

The PRESIDING OFFICER. Objection is heard.

The question is on agreeing to the amendment of the Senator from Delaware, as amended.

Mr. WILLIAMS. Mr. President, I point out that it is really immaterial now whether the Senate adopts the pending amendment or not. The modification offered by the Senator from

Rhode Island merely puts the question back into the hands of the Administrator. The same Administrator has already said that he needs clarification of the law; if he is going to correct the practice which has been going on, a practice which Congress has denounced, but a practice they have just refused to correct. In all fairness to the Administrator, I think it should be pointed out that if we have future examples of improper payments, Senators should not criticize the Administrator. He should criticize the Congress. Today, in the adoption of the Pastore amendment, you have authorized a continuation of the same practice which has been followed by the Truman administration. No one defends the practice, but you voted for it. We are refusing to do what the Comptroller General of the United States recommended that we do, namely, to amend the law in a manner which would stop the practice of paying unearned annual-leave payments to those who are ineligible to receive them.

Mr. LONG. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. LONG. I wish the Senator from Delaware would submit this question to the proper legislative committee. I believe there is merit in what he has in mind. It seems to the junior Senator from Louisiana that the adoption of the amendment originally offered by the Senator from Delaware might prevent one or two abuses, at the expense of doing an injustice to perhaps 350 employees. That would not be the fair thing to do. Therefore it seems to the junior Senator from Louisiana that we should follow the legislative process of studying this subject to ascertain where abuses may exist. If the Senator from Delaware should submit such a proposal to the Committee on Post Office and Civil Service, which is the appropriate committee, give the committee an opportunity to study the subject, and then offer his amendment to a subsequent appropriation bill, I would be delighted to support it, if a provision could be devised which would not do injustice to a great number of employees in order to correct an abuse by a small number.

Mr. WILLIAMS. I do not think the Senator from Louisiana was present in the Chamber at the time I offered my original amendment. I was not seeking to stop payment to a single employee who is entitled to it. As I understand it, Congress intended that employees who are separated from the service should receive such payments. What I was trying to do was to close loopholes in the law.

I point out to the Senator from Louisiana that at least 2 months ago I called this matter to the attention of the Senate and to the attention of the appropriate committees of the Senate. At that time I received assurance that we were going to get prompt action. We are still awaiting action. Every day we wait we continue to make these questionable payments to various Government officials. We are changing the executive branch of the Government as a result of the recent election; and as we

change the executive branch of the Government we are moving many employees from one position to another. They may be promoted or demoted. The point is that by a little administrative interpretation it would be possible for the administrators, if they chose to do so—and they have done it—to use this device to give an employee two or three thousand dollars as he changes jobs in the Government. That is what we are trying to stop. I am not trying to take away from any employee his bona fide separation pay, as he understands it, as Congress intended it, and as we all intend him to receive it.

Now that Congress has refused to act today I hope legislation may be reported from the committee to correct a situation which has been denounced throughout the country. I am sorry that such payments will have to be continued a little longer. They should have been stopped long ago.

Again I point out that the acceptance or rejection of the pending amendment would make no difference, in that it says that the Administrator may do as he pleases. The Administrator himself says that the law needs changing and that without a change the practice will not be stopped.

Mr. LONG. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. LONG. The new Administrator believes that the Federal payroll can be reduced, in the interest of economy. It has been suggested that 250,000 employees should be removed from Federal payrolls. By and large, all those employees will be entitled to certain separation benefits when they lose their jobs. I would be glad to support the proposal of the Senator from Delaware if we could arrive at an arrangement which would protect the rights of employees who are separated from their jobs, and enable them to draw their terminal pay. However, I would not vote for a proposal which might jeopardize the rights of those employees merely because there might be a few who would abuse the privilege of terminal-leave pay.

When this question has been studied and when we can have entire confidence that the rights of those who are legitimately entitled to separation pay will be respected, I certainly expect to support the type of proposal which the Senator from Delaware has in mind.

Mr. WILLIAMS. I point out to the Senator from Louisiana that there was absolutely nothing in my amendment which would in any way jeopardize the rights of the 250,000 employees who would be laid off. My amendment would not jeopardize their rights to the bona fide separation pay, which they have earned, as shown by the records. All I was trying to do was to stop the practice of making payments to those not entitled to receive them. If certain employees merely lose their jobs in X office and immediately move into another Government office, they are certainly not entitled to separation pay, any more than an employee in civilian life who stops working for X Corp. is en-

titled to draw his unemployment insurance because he has lost his job, when in effect he merely walks across the street and gets another job with another corporation. Such an employee would not draw unemployment insurance. It was never intended that Government employees should draw it either. The whole situation has come about as a result of the unwise interpretation that has been placed on the law by a rejected administrator. I hope Congress will wake up some day to our responsibility of changing the law.

Mr. WILLIAMS subsequently said: Mr. President, I ask unanimous consent to have printed in the body of the RECORD, immediately following my previous remarks, an editorial entitled "Going-Away Checks," which was published in the Washington Daily News on March 12, 1953.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

GOING-AWAY CHECKS

On the claim that they didn't have time to take their vacations while in office, 215 high-ranking officials (\$10,000 a year or more) collected \$709,538 from the Government when the Truman administration moved out in January.

This happened under a system which permits Government employees to accumulate vacation time and then get paid for it when they leave the payroll.

Only one Truman Cabinet officer didn't catch this going-away gravy train. Most of the better-publicized Truman officials made it.

We are especially impressed with the accumulated leave cash which went to Oscar Ewing, the former Federal Security Administrator, and to William O'Dwyer, ex-Ambassador to Mexico.

Mr. Ewing, in his capacity of making secure the lives of everybody from Huttites to goats, roamed far and wide in the world—in the interest, naturally, of the security of the American people.

Such arduous travels, as you can see, keep a man from getting his just vacation.

So Mr. Ewing, on leaving the Government, got \$4,447 to make up for the vacation he didn't get.

Consider, too, Mr. O'Dwyer. He went to Mexico to escape the heat in New York.

Mexico, of course, is a wonderful vacation-land, especially for a man charged with nurturing and protecting crime and vice while mayor of the biggest American city.

But poor Mr. O'Dwyer claims he didn't get all the vacation he had coming, so the Government sent him an accumulated-leave check for \$5,396, although he was in office only 2 years and 3 months.

A House committee now is investigating, and we hope it will find a way to give the taxpayers a vacation from this kind of nonsense.

Mr. WILLIAMS. Mr. President, I also ask unanimous consent to have printed in the body of the RECORD an interview with the Commissioner of Internal Revenue, the Honorable T. C. Andrews. The interview was published in the May 8, 1953, issue of U. S. News & World Report. In the interview Mr. Andrews outlines the new attitude of the Treasury Department in promising a square deal for all taxpayers. In view of the importance of this new policy to all American citizens, I am asking unanimous consent to have the article incorporating the

interview printed in the body of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SQUARE DEAL FOR TAXPAYERS

(Interview with T. Coleman Andrews, United States Commissioner of Internal Revenue)

(EDITOR'S NOTE.—T. Coleman Andrews is the first certified public accountant to become Commissioner of Internal Revenue. Tax practice and tax accounting have been his lifework. He has held important positions with State and city governments in Virginia as a comptroller and auditor of public accounts. He has served the War and Navy Departments in fiscal affairs and contract problems. But in 1944 and 1945 he also served in the United States Marine Corps and became a major on the staff of the Fourth Marine Aircraft Wing in the Central Pacific. From 1945 to 1947 he was Director of Corporation Audits in the General Accounting Office in Washington, and for this work received an award for outstanding service from the American Institute of Accountants, of which he became president in 1950. To discuss the relations of the taxpayer to the Bureau of Internal Revenue, U. S. News & World Report invited Mr. Andrews to its conference room. This interview is the first comprehensive explanation of the Bureau's plans and policies given by the new Commissioner.)

Question. Are you changing the attitude of the Bureau of Internal Revenue toward the taxpayer, Mr. Andrews? To many taxpayers it has seemed to be one of hostility—

Answer. I have been challenged on the question of what the attitude of the Bureau has been toward the taxpayer, and, instead of saying that we are changing the attitude to the taxpayers, let's put it this way:

Everybody in the Bureau—and there are 54,000 of us—is an employee of every man and woman whose tax return is filed with us. We are not their bosses; they are ours. We are hired by them to assist them in discharging one of their duties as a citizen. There is no excuse whatsoever for any person in the Bureau of Internal Revenue to take any attitude toward a taxpayer other than one that emanates from a sincere desire to be helpful.

Question. Are you going to give the taxpayer the benefit of the doubt? Some of the Bureau's letters in the past have seemed to some taxpayers to be almost insulting, as though the taxpayer had done something wrong.

Answer. I have that difficulty with letters that come in to me for signature. I might say that I'm requiring a great many replies to be prepared for my signature—which a few months from now I won't expect to do—just to see what kind of letters our people write. Occasionally I have to send a letter back and say, "For goodness sake, breathe into it a little bit." I might say that it isn't that our people don't want to do a better job. As a matter of fact, they seem as anxious about it as I am and they are cooperating enthusiastically.

Question. Are you aware of the popular attitude of the taxpayer toward the Bureau, which is that the Government is interested only in the revenue by any manner that it can collect the revenue, irrespective of the inequities involved?

Answer. I am very much aware of it.

My feeling about it is that the Bureau has brought this on itself, and that one of our major jobs is to get the people believing in the Bureau again as they used to, to give the Bureau character and standing in the eyes of the public. And I believe that that's a very simple thing to do.

You have mentioned giving the taxpayer a break, the benefit of the doubt. Of course, that is what we should do. There should be a square deal for the taxpayer.

We should have the attitude, I think, that we want every cent that's coming to us, but not 1 cent more, and if there is sufficient doubt, we don't want it at all.

I will give you an illustration. A case came up the other day of a dispute with a taxpayer that had arisen over 1943 income when the taxpayer was in the military service. When he came back and his returns were audited, he was told that he owed some \$250. He said, "I don't think I owe you \$250." And they argued backward and forward, and finally in desperation the taxpayer said, "Well, I'll give you \$50 and clean it up," and that compromise was accepted.

Now, I would not have insisted on collecting the \$50. Why? Because there was a reasonable doubt as to whether he owed any money or not, and I say that a compromise made in those circumstances is not a compromise at all.

Question. It doesn't prove who was right or wrong, does it?

Answer. It doesn't prove a thing. If the Government is not satisfied that it is right, then it has two courses open to it. If its doubt is sufficiently strong, it can say, "Well, let's forget it." If it is not strong, then it can say, "Well, let's let the courts decide."

Question. Isn't that the reason for the widespread belief that the Government is collecting nuisance penalties constantly from a public which doesn't want to be bothered with litigation, doesn't want to hire lawyers to defend every minor point? And aren't the sums so small in some cases that the people can't even afford the litigation and would rather pay the penalty than try to have it adjudicated?

Answer. You are probably right, and I would say that the last thing that any fair tax administrator wants is to have a tax return regarded as an invitation to a lawsuit. Way back in 1927, the Secretary of the Treasury, in a statement to the Joint Committee on Internal Revenue Taxation, stated: "The collection of revenue is primarily an administrative and not a judicial problem. As far as the Federal income tax is concerned, a field of administration has been turned into a legal battlefield."

I am afraid that anyone would have to admit that over the years this situation has gotten worse instead of better.

As I see it, the Commissioner of Internal Revenue in his enforcement of the revenue statutes must not only see that every dollar of taxes due under the statutes is collected, but also that not one dollar is collected that shouldn't be. In other words, the Commissioner, in a sense, wears two hats—one as a law-enforcement officer, the other as a dispenser of justice—and the appellate procedures provided by the revenue laws were deliberately set up to give the Commissioner the fullest possible opportunity to discharge both of these obligations.

Now, what is that appellate procedure? First, the return is examined, and the taxpayer has an opportunity to voice at that point his disagreement with the revenue agent.

Second, if the taxpayer and the revenue agent don't agree, they can take their differences to the revenue agent's group chief.

Third, if agreement is not reached at this point, the next step is appeal to our Appellate Division.

Fourth, if agreement is not reached at this point, then the next step is the Tax Court. But even at this point there is still another opportunity for informal discussion in the form of a pretrial conference.

Now it should borne in mind that this procedure is designed to facilitate a meeting of minds across the table by the two people, each of whom must be prepared to

give and take—the revenue agent as well as the taxpayer.

Also I call attention to the fact that our Appellate Division is not responsible to the district commissioners in matters of case settlements, but rather is responsible directly to the Commissioner, in Washington. Therefore, while it is the Appellate Division's duty to see that the laws are complied with, it nevertheless to a large extent sits as the representative of the Commissioner, functionally independent of the collecting authorities, to achieve, if possible, a just settlement of the points in controversy.

I have not yet had a meeting with the appellate people, but I am going to, and I am going to tell them: "Your function is to represent me in my second capacity. My first capacity is to collect taxes. My second capacity is to do it with justice. Your function is to find, if possible, a point at which the Commissioner and the taxpayer can agree. Remember that you are sitting there now in my second capacity to find a just solution to the difficulty if you can, and to settle the case if you can in the manner that any two people willing to give and take can always settle any argument."

Question. What do you think of the bar association's plan for a small-claims court for tax collecting?

Answer. That is a hard question to answer without indicating a negative attitude, which I honestly do not have. But I feel this way about all proposals for any supplementation of the appellate process. I believe—at least, I am strongly inclined to believe after being here now nearly 3 months—that with a proper attitude from the top the present appellate procedure is sufficient, and that any taxpayer can get justice under it.

Question. And yet there must be millions of dollars collected by the Treasury from people who cannot leave their jobs to go to your tax offices to argue. Rather than argue, whether it's \$10 or \$15, or whatever it is, and may be a lot of money to them—and lose a day's pay from their job by coming down to the Bureau of Internal Revenue, they just accept the penalty. Now, what procedure have you within the Bureau to review those assessments?

Answer. The difficulty with that is that if a taxpayer pays without arguing, then there is no system of review that will help him, because the reviewer would never have the taxpayer's side of the case before him—

TAX ARGUMENT VIA MAIL

Question. Could the taxpayer write a letter and try to settle his problem and not take time to come in and argue it?

Answer. If we could get an adequate letter from the taxpayer stating his position, yes, that could be and would be, and even now is, reviewed if he makes this protest, formal or informal. It is reviewed and given due consideration. But the difficulty with most of those cases is that you can never get all the facts merely by correspondence.

Take, for instance, the question of dependents. There could very easily be a question as to a person's entitlement to an exemption for a dependent which could not possibly be solved by correspondence, but has to be solved on the spot.

There is no reason that I know of, in cases that warrant it, why the revenue agent couldn't go look up the person instead of making the person come to him. As a matter of fact, I have frequently thought it probably would be a lot less expensive in the long run—not to the Government, because it would cost the Government more money, but it would bring about a lot less economic loss—if, instead of making the masses come to the tax collector, the tax collector should try to arrange some way to go to the masses.

I don't know whether this would be practical, but there is such a thing as bringing the mountain to Mohammed when you can't get Mohammed to the mountain. At any

rate, such a policy deserves study and we will explore the possibilities of it.

Question. Can a taxpayer, as a practical matter, expect to go to the appellate division on his own hook, without a lawyer, without an accountant, and have any real hope for success?

Answer. Why, certainly—unless there is a complicated question of law or income determination involved. If it is nothing in the world but a question of fact, any taxpayer can do this on his own.

Question. In theory, a taxpayer can take his case to the Tax Court without a lawyer or an accountant—but he doesn't get very far, does he?

Answer. But that isn't practical at all. And that's why the small-claims court idea as an adjunct of the Tax Court probably is not the answer. The problem we were talking about is one that never gets to that stage. What we have to do to solve the problem you are talking about is, simply to do our utmost to develop among the people who deal with us at the lowest level a feeling that the attitude of the Bureau is going to be one of justice, reasonableness, on the part of the agent as well as on the part of the taxpayer.

Question. Might you not lose a great deal of revenue that way?

Answer. Well, personally I don't believe you would lose any significant amount of revenue, and I think it would be a good investment even if you lost a little revenue by it and achieved the confidence of the American people in their Revenue Bureau.

Question. Do you think you are losing a lot of revenue because people are not reporting all their income?

Answer. We are losing some, but whether it is a lot I don't know. "Lot" is a relative term.

Question. Do you think some people are not making income-tax returns at all who ought to?

Answer. There is no doubt about that, and we are conducting a survey right now in three cities to find out how many people in those cities who should be filing returns are not filing them. That will be used as a test sample of what we need to do in order to ferret out people who are not now filing income-tax returns.

LOOKING FOR CHEATERS

Question. Do you have any indications as to what the answer might be?

Answer. Not yet.

Question. Did you cooperate with the Census Bureau on that?

Answer. No. We can do that job through other devices with a whole lot more ease. We can cross-check with the telephone directory and other lists. There are all kinds of simple ways of doing it.

Question. What percentage of the people try to cheat? Do you have any idea? Is it high or low?

Answer. In some categories it is high.

Question. You have some definite plans, haven't you, to make it more convenient for the taxpayer to make out his returns and pay his taxes?

Answer. Oh, yes. And then, too, I think we may properly say that there really has been substantial change in the public attitude. We're beginning now to get a few letters and telephone calls from people who think we're not too bad. That, of course, is the result of a deliberate effort to improve relations with the public.

Question. How far can you go in helping the taxpayer make out his returns?

Answer. This year, for instance, we did a rather novel thing. I don't want to claim credit for it myself. What happened was that we were confronted with the problem of getting about 55 million individual returns out of the way in a very short period of time, and what we did was to say: "Now, here, we are going to give the taxpayer every bit of as-

sistance we can, the best assistance we can give them. At the same time, we want to try to hold the line on collections, which have been slipping a bit."

So the plan was to bring into the collection offices in the various cities every person outside of the collection group whom we could make available. For instance, we brought in field agents and other personnel to assist the taxpayer in the actual making out of his returns. Now, there are other things that I will mention later. But that, of course, had a tremendous advantage from both the taxpayer's standpoint and our standpoint, because it put on the job of preparing returns those men who knew most about what the returns should contain.

THIRTY-FIVE MILLION STANDARD DEDUCTIONS

Question. Don't you find that the general run of people don't know what they can deduct and what they can't deduct?

Answer. That isn't quite an accurate statement when you stop to consider that there are probably between 35 and 40 million people who never worry about what they can deduct because they use the standard deduction of 10 percent of gross income. So, there is no great problem with all those people. The problem arises with people who have income other than salary—say, rents, interest, profits on sale of property, and that sort of thing—and who may have exceptionally large doctors' bills through the year or whose aggregate deductions will amount to more than the standard deduction of 10 percent. Now, these people have to have help. They are the ones who are most helped in the preparation of the longer form. And so we gave them the best help that's available in the Bureau. That's going to have two effects.

It got them through the line fast. I think the average time that anybody spent waiting was about 20 minutes, which is pretty fast.

Question. Is that here in Washington?

Answer. That's everywhere, the average for the country.

Question. Can you give us some idea of what the time had been in the past?

Answer. I couldn't tell you that because I don't think we have any record of it. But I'd say that it must have taken twice as long. As a tax practitioner I can say that 20 minutes is a remarkably short time.

Now, another advantage of that—the unseen advantage, the one that comes later—is that it simplifies our auditing job because we've got more correctly made returns, and that means less need for auditing.

Question. Then you can spend more time on the returns that you have to audit?

Answer. We will be able to examine more returns that ought to be looked into.

Question. What is the plan we hear you have to relieve 30 or 40 million people of making tax returns?

Answer. That is in its concept a very simple thing, but in its execution it is going to take time. It is this: Every person on a salary has his salary reported to the Social Security Board and the Internal Revenue Bureau. There are two different forms that report the same salary. Our idea is simply to coordinate the two.

We know what the man's salary is. And if that's all the income he's gotten, it is a very simple matter to take that information, calculate the tax, deduct it from what was withheld, and send him a refund check or a bill—and he never has to come to the Bureau at all.

Question. He would make no return?

Answer. None at all. We get the information from the Social Security report and salary-information form filed by his employer.

Question. These are the forty to fifty million people who have no income other than their salaries or wages?

Answer. That's right, and who use the standard-deduction form.

Question. Won't he have to sign his withholding receipt?

Answer. He will probably have to sign his withholding report before the employer sends it in. We will, of course, have to get some change in law to put this plan into operation. It is not something we can do this year, and we may not be able to do it next year. But in another year after that, it ought to—

ONE FORM LESS FOR EMPLOYER

Question. Will it not increase the burden of the employer?

Answer. It doesn't put any more work on the employer at all. It will save him one form, in fact.

Question. It will put a great deal more burden on the Bureau, though, will it not? And, where the taxpayer frequently calculates his own entitlement to a refund, the Bureau will have to detect each of those cases?

Answer. We have to audit their calculations in any case, so why not let the auditor do it all in the first place?

Question. Will he get the bill for taxes due at the same time he does now?

Answer. He will get a receipt for having already paid his tax and a remittance notice. As far as the Bureau is concerned, the handling of a simple thing like that can be done by the least expensive people we have. So, you see, it really boils down to a very low-cost operation at a minimum of trouble to the taxpayer, the employer, and the Bureau.

Question. How often would you do this, quarterly?

Answer. No; it would be done every year, once a year.

Question. Doesn't the employer make the deduction now and turn it in each month?

Answer. Yes; and they accumulate over the year.

Question. If the taxpayer still owes money, then you send him a bill?

Answer. Sure. If he gets a refund, we send it to him; if he owes money, then he is called on to pay it.

SPEED WITH REFUNDS

Question. If he has any income other than salary, the plan wouldn't work, would it?

Answer. No; he would have to file a different type of return. Now, there is another aspect of this taxpayer-help program that I think I ought to mention. By making the move that we did to increase the assistance to the taxpayer and get all this work done and preserving our collection people in their regular job of collection and holding the line in collections, we did something else very important. We got out practically all of our refunds by April 15, and so saved more than \$3 million in interest this year.

Question. People are getting earlier refund checks?

Answer. Oh, yes. There are very few places that I know of where people haven't already received their refunds.

Question. Can you do anything to make it easier for taxpayers to get advance rulings from the Bureau on problems they encounter?

Answer. Yes; we are already doing something about that. We get about 4,000 requests for rulings a month, and the production reports of the technical divisions of the Bureau indicate that, under a stepped-up program, more rulings are disposed of in each month than we are receiving requests for, so that the backlog of unanswered rulings is being diminished.

Question. Are the rulings worded in such a way so that if the facts change in any way the ruling doesn't constitute approval of what the taxpayer may subsequently do? How do you handle that?

Answer. Usually you get two different kinds of requests. One will be a request for

an application of the statute to a particular situation, with a statement as to what the facts are. We will answer the taxpayer in a case like that by saying to him, "Now if the facts you gave us hold, then this is your answer."

Question. Can anyone write in for this?

Answer. Sure, and they do, with the questions running all the way from very simple ones to the very complicated. Some rulings take a good deal of legal and other research.

Question. In what sort of fields do these questions come?

Answer. Every field that we are in.

Question. How can you let the public know what you are doing with respect to these rulings? You may answer 4,000 letters a month, but that information is not available to the public. It's only for the one man who writes the letter. Nobody else knows how you have ruled in particular cases. What can be done to disseminate that information to the public? Could you publish the cases without mentioning the names?

Answer. What happens is this: We have a great many rulings, of course, that are just duplicates of previous rulings; therefore, to publish every ruling we make would be a tremendous waste of time and money. So, when we get a significant question to answer, we publish the question and our answer in the Internal Revenue Bulletin. Also, we are publishing more rulings now. In other words, there are fewer office rulings and more published rulings.

Question. Hasn't that been one of the complaints from the public, that there have been so few public rulings?

Answer. Yet—let's say that there haven't been enough.

Question. Where does a person write to get these advance rulings?

Answer. To the Commissioner of Internal Revenue, stating his problem and asking for a ruling.

Question. Who determines whether these rulings are significant or not?

Answer. That is determined by the technical office. They know. For instance, today we got a question up there on a matter that is almost novel, which probably seems unusual, since we have had an income tax since 1913. But, actually, it was a brand-new question. Well, the ruling on that question will be published so that if it comes up again, and it will come up again because it is a new type of business development, then people can be guided by it.

WHERE RULINGS ARE PRINTED

Question. What is the circulation of this Internal Revenue Bulletin?

Answer. The circulation of the bulletin is available to anybody who wants it. It is not difficult to get. Anyone can write for a copy. The mailing list is handled by the Superintendent of Documents of the Government Printing Office on a subscription basis. The tax practitioners—the lawyers and accountants who actively operate in the tax field—get the bulletin when it comes out.

Question. Is that sent free by the Bureau?

Answer. There is a small charge, \$3.25 a year.

Question. Well, here you have millions of people who may need to know how you are ruling on these cases, but apparently there is no medium by which the general public as a whole can learn what you are doing—unless the newspapers would print that as a service—is there?

Answer. Under the new policy of the Bureau—if I may call it that—we are releasing a great deal more information to the public through the commercial-tax services and the press. Lots of these rulings that apparently nobody heretofore thought of turning loose to the press are now being made available—not that they were ever secret before, but rather we are giving them out on the theory that maybe the newspapers might

be interested in them and publish something about them.

The average taxpayer, of course, is not interested in the day-to-day rulings that come out. Even the practitioners aren't. Sometimes they just put them aside and never bother about them until pertinent cases come up; but then they go digging for them.

MAKING THE FACTS KNOWN

Question. Have you any practical suggestion as to how the rulings can be more widely disseminated? Can the newspapers do anything?

Answer. Well, the newspapers could do a great deal about it, but the question is whether they would find any real reader interest in the vast majority of those cases. I don't think they would—until somebody gets a particular problem.

Question. A few years ago the Bureau prepared a series of articles which were to be published in the press in installments prior to the date for filing income taxes. These daily articles gave the effect of various rulings in a popularized version of what the taxpayer could do, for example, by way of deductions. Couldn't there be something like that again?

Answer. There is such a publication available for that purpose right now. It is called "Your Federal Income Tax," costs 25 cents and is obtainable at the Government Printing Office. It has a thorough explanation in simple language—as simple as we have been able to develop up to now—though we hope we can make it still simpler.

As a matter of fact, we have tried to make all of our rulings simpler. We've tried to get some human understanding in them. For instance, this morning we had a ruling in which we were more humane than technical. I took the position that it was a situation where we could rule against the taxpayer technically but we should not rule solely on such grounds, but should also be right from a humane standpoint. And I told the man who wrote the decision, "Now, take it back and rewrite it and put it in the language in which you would want to explain it to your 15-year-old son." We are trying, in other words, to put a little warmth into these rulings.

Question. This brings up a legal point. You still have a wide discretion, under your regulations, to do a great many things, haven't you?

Answer. I am told that the Commissioner has pretty wide latitude in some situations. Of course, that means he can be pretty arbitrary if he wants to, or he can be very liberal if he wants to. Now, you have to strike a balance between the two in order to do a good job of tax administration. We hope we are going to do that kind of job.

Question. How many copies of this publication, Your Federal Income Tax, do you print?

Answer. During this last filing period it sold about 210,000. It was down because of the fact that there were no appreciable changes in the internal revenue laws. With each income tax blank, of course, we give a small pamphlet which runs to about 50 million copies.

What we are trying to do is to make plain the things that taxpayers can deduct so that they can sit down and figure out for themselves whether their legitimate deductions are greater than the standard deductions.

And another thing we have done on the taxpayer-help program, and I think is going to pay big dividends: We went into the high schools of the country last year with a simplified explanation of the income tax law and the preparation of returns. They took a blown-up picture of a return, for instance, and put it up on the wall and explained the various items in the return and how it came down finally to the mathematical calculation.

tion of the tax. Then they did the same thing with other forms.

Well, now, that approach has had a great response. The school people like it because it gives them something very practical to teach and adds to their capacity to teach government. Of course, underlying this program is the fundamental idea that, after all, we want to give the next generation an appreciation of why they have to have taxes, and, in addition to that, a knowledge of how to make out a tax return.

Imagine, if you can, the difference in the public understanding of the tax return when all these millions of school children who have been taught about it come up against the problem of making their own tax returns. It is going to simplify our problem tremendously—it's bound to—it just can't miss.

VISUAL EDUCATION ON TAXES

Question. That same method has been applied to voting machines in many States by putting these machines in the high schools when they weren't being used in actual voting. You are doing the very same thing, aren't you?

Answer. Yes. I call it using visual education to teach two things: respect for and understanding of government and its necessities and, also, a knowledge of how to discharge one's tax responsibility. We think that in the years to come we are going to have a lot less trouble with poorly and inaccurately prepared tax returns.

Question. Are you making real changes in the tax-return blanks and the instructions?

Answer. We have a group that is constantly working on changes in the wording alone to get it in simple language. One of the duties of the Assistant Commissioner in charge of administration is to take all tax forms after they have been passed as to their technical correctness and review them completely for language, to see if it is in language that he thinks the average person will understand.

Question. What is the situation with respect to deductions for individuals? There has been a lot in the papers lately about a mother who is employed and goes off to work and has to hire a nurse or someone to take care of the children. And she does not get a deduction for that expense. Whereas, in a business if you hire anybody to do anything, you get a deduction for that expense. What progress has been made in the handling of that issue?

Answer. There can't be any settlement of it so far as the Bureau is concerned, because the law is very plain on the subject—you can't take that deduction. It is not an ordinary or necessary expense of doing business under the law.

This question involves the matter of what part of income are you going to tax. Now Congress has said you are going to tax a man's gross income, with certain exceptions, and against that he is allowed certain deductions. Unless an act of Congress says that in the case of a working mother we will allow servant hire, the Bureau hasn't any right to allow it, because there is nothing in the law and regulations to justify us in allowing it.

THE WORKING MOTHER'S PROBLEM

Question. How about expenses necessary for production of income, that's allowed. Certainly that is true of a working mother?

Answer. I don't know that it could be so interpreted under that rule. We've considered it, and I think it has been honestly considered, and I think the only way to solve that problem is by legislation. The question is whether as a matter of principle you want to solve it that way.

It comes down to the whole question, then, of "What are you going to tax?" Are you going to tax an arbitrary amount of income, or rather an amount of income less certain arbitrary deductions, or are you going to tax only net income? If you tax net income, then most people spend all they make and so we

wouldn't get much from individuals on that basis.

Question. What is your attitude toward the people who get income in the form of room and board? Lots of servants and hotel employees sleep in, and they get food and lodging. If they were working by the day they would go out and have to have a place to live and they would have to pay for their meals. They might work somewhere else and get increased pay, but they would pay income tax on it. Now, the person who lives in doesn't pay income tax on that income?

Answer. That is one of those borderline cases that comes under the rule, as I recall it, of whether the room and board is compensatory. This question often is very hard to decide.

Question. Now, if it is part of the employment agreement, is board and room income?

Answer. Ordinarily, no, where it is a required part of their employment for the convenience of the employer.

Question. Turning now to some of the headaches of business, what does the Bureau think it can do to accelerate the auditing of business returns, so many of which extend over so many years before a business knows whether its returns have been audited or not?

Answer. That is a problem that is bothering us a bit. As an accountant, I think I have the answer. No. 1, we regulate our volume of examination of business returns according to the number of auditors we have. In other words, it's almost a mathematical proposition that you need so many auditors for every hundred or every thousand business establishments. There is only so much work that one man can do. Some of the big returns take a number of men. We have 1 corporation for which there are a dozen men on the job 12 months a year.

But for the average 1-man or 2-man account, one way we can speed it up is to develop in the revenue agents a greater understanding of the principle which the public-accounting profession has long since adopted, and that is test checking. In other words, no public accountant today ever audits every transaction. He picks a certain number of transactions over the year and examines them thoroughly, and on the basis of his tests he concludes whether everything is generally in order and gives an opinion as to the state of the account. We can apply that principle, the principle of comprehensive auditing on the test-check basis, and considerably speed up the process that way.

Another thing we can do is this: There are a great many auditors now going into some establishments that file more than one kind of return. We propose to wrap up all these returns into one package so that when an auditor comes into your establishment to examine your books, he would examine your income-tax return, your social-security return, and, if you have excise taxes, your excise-tax returns. Then that is the last time you would see the auditor until the next year.

PLAN FOR SINGLE AUDIT

Question. You mean that all goes on one return form?

Answer. Oh, no—separate returns, but all bundled up in one package for auditing purposes. I think we can speed the process a great deal in that manner.

Question. Wouldn't you need a change in the law to do that?

Answer. No; that could be an administrative determination. So, by improved auditing methods, which we will get by an intensification of our training program, I think we can probably get our agents finishing their audits faster; also, by cutting out a lot of writing which is now done. One of the things that slows an agent down a lot is that most of them have to write their reports out in longhand. I suspect that a lot of reports don't even need to be written at all. In

such cases the agent would say in a simple report form they have examined the return and everything is in order, or even in those cases where they find something they disagree with, I doubt that the agents have to go through all the gyrations they go through now.

I think the process of developing the agent's reports can be speeded up. I think the process in connection with the papers for appeals can be speeded up. For instance, you usually find in a case where there has been an appeal that practically in every step in the case the facts are completely restated, and they may run for pages and pages and pages. Why not simply incorporate the facts for reference wherever they are first stated and let it go at that?

FRANKNESS DUE FROM AGENT

Question. In the case of disputes as to items in auditing, do you think that the agent should disclose to the taxpayer that difference of opinion as to an item, or is he justified in saying nothing about it and giving the taxpayer his first notice of a disputed item when he sends him a deficiency letter?

Answer. The answer to that is that if an auditor examines anybody's returns, the first step in settling the dispute is for the agent to tell him just where he disagrees with him. I never heard of cases where—

Question. But there have been cases—

Answer. Fraud cases, maybe?

Question. No. The stories we hear are that an agent goes in to a business office and sees a lot of items on the return and he disputes those items. In writing up his report he includes some points that he thinks he can bargain with and writes them up as deficiencies, which he knows he's got to concede. And the impression you hear among businessmen is that some of their experiences with an auditor have been on a bargaining basis, that is, he might take up with the taxpayer 8 or 9 points, but when he gets back to the office he may find several others and doesn't argue with the taxpayer but simply puts them in—

Answer. Well, that just isn't cricket. I wouldn't permit that.

Question. Has the Bureau some tax cases that are still there from World War I?

Answer. I couldn't say.

Question. There are always rumors of cases being there 10, 15, 20 years—

Answer. They may be excess-profits cases, but I would imagine they are in the courts. I had one case the other day that has been hanging around there since 1928. We are finally getting that cleaned up and out of the way.

Question. Was that in the Tax Court?

Answer. No. It hadn't even gotten to the point of assessment yet.

Question. That brings us to another question. What about your rules in the various stages in the Bureau before you go to the Tax Court? The average businessman feels, when he goes before some kind of review board, that if he has some evidence or testimony, the Bureau should give weight to that evidence if it comes from competent witnesses. Can he bring in witnesses to support and substantiate his points?

Answer. Certainly.

Question. At any stage in this review procedure?

Answer. Sure.

Question. Is the Bureau in any way obligated to give weight to the testimony?

Answer. They certainly are.

Question. In a good many businesses of a complex nature which could not possibly be understood by the Bureau's personnel, unless, perhaps, a competitor came in and verified it as fact, is there an opportunity to bring in witnesses like this?

Answer. The taxpayer can bring anybody in that he wants to.

Question. Do any of them do it?

Answer. Yes.

Question. At what stage? I mean, is this done before it reaches the court?

Answer. Yes; it is done at any stage of the process, from start to finish. If a taxpayer has a case where he wants to impress the agent with the industry practice, then he may bring somebody else along who can say it is the practice. The Bureau is obligated to listen to that testimony. There is no reason in the world why they shouldn't do it. What we're after is to get the cases settled. We want to stop this pile-up along the line.

TAX COURT DELAY: 2 OR 3 YEARS

Question. Is there much of a jam now?

Answer. It is pretty bad. It is so bad, in fact, that I am told that Tax Court cases may not get tried for 2 or 3 years.

But we are making headway on this. I've given instructions that there must be more concentrated effort to settle.

Question. Wouldn't you get more revenue that way?

Answer. We get the revenue and get the case out of our way and simplify the thing all along the line. I haven't said that we have to settle a case just to settle it, but I said to these fellows:

"Here, forget about all this business of being scared to death of investigations. Go on and make your decisions. You have the authority to make them. Make every decision you can make within the scope of your authority, and be satisfied that if it is an honest decision you will be defended in it. Now, of course, if you are a person who is not capable of making a good decision as a matter of habit, then we are not going to leave you in that position very long. That is an administrative matter. What we are after is an honest effort to reach agreement with the taxpayer, even if you have to give a little sometimes. If you think it is just to give a little, then do so and get it over with."

Question. Are these pile-up cases mostly individuals or corporations?

Answer. That I can't answer, but my guess would be that they are business cases.

Question. What do you think of the idea of this 6-percent interest charge which goes on and on and on while a case is unsettled? Do you think it is right or wrong?

Answer. I think there are some circumstances where the running of interest might be stopped. But just where that point is I don't know. I do believe, though, where there is undue delay on the part of the Government in getting around to the disposition of the case, the Government ought not to expect to collect interest beyond a certain point. But just when that point should be I frankly don't know right now. We'll have to study it. I know that I have seen many cases where I thought the interest should have been stopped at a certain point, and I have had cases where people would pay a certain amount of money in, in order to minimize the interest.

I do think there has to be an interest charge for delay in payment, and there should be, conversely, an interest payment by the Government for delay in refunds.

Question. Why couldn't it be the prevailing interest rate instead of the flat 6 percent?

Answer. Well, in my own mind there is no particular sanctity in the rate of 6 percent. I don't know that you could defend it on any grounds except that it has the effect of an additional penalty, a penalty that works both ways, however.

REGULATIONS VERSUS LAW

Question. What is your theory about the discretionary interpretations by the Bureau of Statutes in what is called the Treasury Regulations? Do you think the regulations are in conformity with the law?

Answer. One of the most serious complaints that we have been receiving has been

that there is a lot of law in the regulations that Congress never contemplated. As a former tax practitioner, I can say that this complaint is justified, and all of us, at both the Treasury Department level and the Bureau level, are not only conscious of the problem, but are working on it almost feverishly.

We propose to identify, if possible, every such instance and correct it, and we certainly will not consciously allow it to happen in the future.

To give you an illustration, just the other day we were working on a regulation under the 1951 act, and we found a provision as to which we had doubt concerning its consistency with congressional contemplation, and we changed it. However, let me point out that I didn't think for 1 minute that the people who wrote that regulation intended to try to do something that Congress didn't intend, so let's not any of us think that the Bureau is headed by people who are using gouges instead of their heads. We must remember that the fact is the Bureau is under the Treasury Department and that in the long run the Bureau reflects Treasury policy. The present Treasury group is as anxious as we in the Bureau to see that the regulations conform to what has been contemplated by Congress.

I think the original motivation was the concept of strict interpretation, with all doubts resolved in favor of the revenue.

TWENTY YEARS OF DIFFERENT VIEWS

Question. How far back would you say it goes?

Answer. It goes back 20 years anyhow. Most of it has happened in that period. I don't want to turn this interview into a discussion of the previous administration, but I think their attitude was a shortsighted approach for immediate revenue purposes.

Question. How are you going to work with Congress on the matter of the changes in the law? Will you make the recommendations, or is the Secretary's office going to make them?

Answer. The Secretary's office is going to make them. That is all being handled by the Under Secretary of the Treasury. The Treasury team divides the tax problem between the Under Secretary, as far as legislation is concerned, and the Commissioner, as far as administration is concerned.

Question. Are you going to make some suggestions for administrative provisions?

Answer. We already have made a great many.

Question. The administrative provisions in the tax laws haven't been revised for a great many years, have they?

Answer. No, they haven't, but that whole thing is under consideration, and what we are doing now is this: We have a new policy, it might be said, of dealing with Congress. For instance, we have regular meetings with the Joint Committee on Internal Revenue Taxation, in which the committee and ourselves sit down and discuss problems of administration and reach conclusions as to what we ought to do. We met with the committee only last Monday on the question of some of the new regulations that we have coming along.

You see, the regulation process is one of publishing a proposed regulation so that anyone who wishes may get a whack at it. The committee gets complaints saying we don't like this and we don't like that, and we go up and hash it out. We settled four important points at our meeting last week.

Our attitude is very simple. We say: Congress makes the revenue laws for us to administer; therefore, how can we administer these laws intelligently unless we work closely with Congress and know what it intended. So we've established the closest possible liaison with the joint committee and its staff, with the House Ways and Means Committee, the Senate Finance Committee, and

other committees where the effects of taxation become involved.

Question. What are you going to do about the disclosure to Congress and the public of so-called "compromise" settlements? Do you favor a continuance of the existing practice of disclosing cases where the settlements are compromised due to incapacity to pay?

Answer. I feel this way about it: When a tax obligation is established by assessment and the liability is agreed to, then at that point any compromise of that tax is entitled to publication. I think the people have a right to know about it. I'm a taxpayer and you're a taxpayer. If you are going to get a special deal on your taxes, for any reason whatsoever, I think I have a right to know it.

Question. Then you would publish the amounts that were compromised? Would you publish the facts in the case?

Answer. We would do what we are doing now. All compromises of income, profits, estate and gift tax cases are now put on a register and are available for anybody who wants to see them.

Question. Those are cases where the taxpayer has claimed his inability to pay?

Answer. They are for a compromise for any reason.

Question. And they are available for anybody to see?

Answer. Yes. You can go right down there now and see them.

WHAT IS A COMPROMISE?

Question. In the previous administration, Commissioner Dunlap used to say that he would not introduce the other type of settlement. He used the phrase "compromise settlement" for only those instances in which a man was assessed a certain amount of money, say \$1,000, and he was unable to pay, and finally the Government would accept \$50. All those types of cases he made available to the public. But where there was dispute over an assessment between the taxpayer and the Government, and they finally agreed that all that was owed was X instead of Y—

Answer. That's not a compromise. It hasn't even reached the point of assessment because it isn't assessed until that agreement is reached. Now, we are having that every day. We'll have a dispute with a taxpayer over whether he owes X dollars or Y dollars and through the appellate process we finally determine the amount owed. We then bill the taxpayer for that amount.

Question. You call that an "assessment," not a "compromise"?

Answer. That's right. That is a positive obligation on the taxpayer's part. Now, if at that point he says, "I agree. I owe \$100 but I can pay only \$50," and offers \$50 in payment of his liability, then that is an "offer in compromise."

RIGHT TO DISCLOSE INFORMATION

Question. You have much power to make changes in this matter by regulation, haven't you?

Answer. There is a great deal that can be done administratively, but there is a lot that has to be done by legislation. Take this whole question of disclosure of information as to compromises, or disclosure of information in general, I may have my own ideas about it, but there may be some phases of the thing that could come up sometime where there would be a question of whether under the law I had the right to disclose it. In that case, I would depend upon the advice of counsel.

But, generally speaking, I think that compromise of tax liability, once the liability is firmly agreed to by both sides, is a thing that ought to be a matter of public knowledge if the public wants to know, because then to the extent that the other fellow is being relieved everybody else is being taxed.

Question. That's if he cannot pay his "assessment"?

Answer. Yes.

Question. What do you do about a case like this:

A business pays its taxes, argues with an internal revenue agent, and sometimes with its own accountant about a deduction, and yet that very same moment that Bureau may be allowing that deduction in another case and the taxpayer wouldn't know anything about it. Is there any way a taxpayer can find out what competitors, for example, may be getting in the way of a break in his line of business?

Answer. Frankly, I don't think you'll find very many cases of that kind, because a good many people in business have pretty good advice as to the preparation of their tax returns.

Question. But there is no publication of the rulings of the Bureau that would guide an industry unless they have this exchange of information among tax practitioners?

Answer. There would be no way for the Bureau, except at inordinate expense, to be able to publish the fact that deductions made by one business in an industry are different from those made by another business in the industry.

But, frankly, I doubt that we're talking about anything significant here, because through trade-association activity, conferences of tax practitioners, and other means business establishments find out pretty well what they can and cannot do taxwise; and I doubt that many of these establishments are missing much that might be to their advantage.

Question. Let me put it another way: Is there an obligation on the part of the Bureau, which is aware of its own rulings, to apply that same ruling even though the taxpayer may be unfamiliar with it?

Answer. Certainly. In other words, there is as much obligation on the part of an agent to give a taxpayer a deduction he is not now claiming as there is for him to disallow an unlawful deduction that he is claiming.

Question. Are there a great many deductions claimed that are not supposed to be claimed?

Answer. Yes; there are. There are a great many cases of revenue being lost by people claiming exemptions and deductions that are not proper.

Question. Is the expense account itself being abused?

Answer. It most assuredly is, and the Secretary of the Treasury is taking a close look at this problem from the standpoint of whether the law should be tightened up to prevent the abuse.

Question. How tough is the policy on business-entertainment expenses?

Answer. Of course, we have to look at it from three standpoints: Is it an ordinary, necessary expense, and is it reasonable? What we try to do is require pretty thorough documentation on entertainment expenses, and, if not documentation, then sufficient explanation to enable us to determine whether or not there is convincing reason to suppose the money was actually spent.

Question. And that is true of individuals as well?

Answer. Yes.

FORMULAS FOR DEPRECIATION

Question. Can you by an administrative act, by regulation, change the depreciation policy?

Answer. Many aspects of depreciation can be settled administratively, but there are some that must be dealt with legislatively. Two aspects are presently under consideration. One is the administrative aspect as to, for instance, when shall the determination of depreciation be deemed to be final? I'll come back to that in a minute. The other question is: What formula for depreciation may be adopted? For instance, could we permit

a wide-scale switch from the "straight line" method of depreciation to the "diminishing balance" method? Perhaps we could, and the question is being studied by the Treasury staff.

Question. What do you mean by the "straight line" method?

Answer. It means the depreciation charge obtained by dividing the cost of the property less its probable salvage value by the number of years that the property probably will last. For instance: Cost, \$1,000; salvage value, \$100; probable life, 10 years; annual depreciation charge, \$90.

The main thing that bothers me about depreciation is the fact that as matters now stand an agent can go into a business and say, "I think you've taken too much depreciation. I'm going to cut that down." They argue about it, and, finally, somewhere along the line they compromise. The agent says, for instance, it ought to be 3 percent and the taxpayer says it ought to be 5 percent, and maybe they settle on 4 percent. But it doesn't end there. The very next agent that comes along may take the position that the previous agent was too liberal, and then the argument starts all over again. Somewhere along the line the taxpayer has a right to expect finality.

WHEN A BUILDING WEARS OUT

Question. Isn't building depreciation fixed at 2 percent a year?

Answer. No, sir. It shouldn't be.

Question. Is that a matter of administrative determination?

Answer. There is a regulation on it, T. D. 4422, and a special bulletin, bulletin F. In bulletin F a great many categories of property and the applicable rates of depreciation are listed. But that doesn't say that the rates indicated are the only rates that will apply. Special circumstances might change any rate in the regulation.

The position I have taken on depreciation, with the group that we have studying it, is that we should have a regulation that says that once the depreciation on a particular category or type of property is established and the taxpayer and the Bureau agree to it as proper, it should not be changed after that point unless the one who wants to change it takes the burden of proof that the original determination was wrong or no longer applies.

That would save untold annoyance to business organizations and a terrific amount of money to the taxpayers and the Government in a matter which in the final analysis has really cost the Government a lot of money, for the reason that the Government has been beating depreciation charges down, down, down, and taxes have been rising; so that all that has happened has been that the deduction for depreciation has been shoved over to high-tax years and the Government has lost money by it.

Now, regardless of that, I am not just trying to save the Government money. What I am trying to do is get a reasonable policy, save annoyance to everybody, and have a rule under which, once a determination is made, there it is going to stay until the Government proves it ought to be lower or the taxpayer proves it ought to be higher.

Question. You hear very frequently among businessmen the idea that a company ought to be allowed to take just about any depreciation it wants and feels is reasonable, providing it is consistent and the Government doesn't lose any money in the long run, because if it fixes too much depreciation it is merely postponing its taxes. What do you think about that?

Answer. That is not sound accounting to begin with; nor is it good finance.

Question. Once the method has been set, Mr. Commissioner, don't you have to stick to that method in order to prevent distortions of income?

Answer. Generally speaking, that is true. If you've got the straight-line method, then you pay on the straight-line method.

Question. What do you think of the British scheme, which they announced the other day, for a tax rebate on new machinery, and so on?

Answer. Of course, that was done to encourage investment of risk capital. I doubt that we need to go that far in order to encourage risk capital. In effect, that is similar to the diminishing-balance method, under which you apply your depreciation rate to the diminishing balance (cost less previous charges for depreciation) of the asset.

For instance, if you've got a piece of property that is estimated to last 10 years, and it costs \$1,000, then you take off 10 percent, which is \$100, and the next year you take 10 percent off of \$900, or \$90, and so on.

Question. But you never completely depreciate the property on that basis—

Answer. No, but you can set the formula so that you can get back in a relatively short time the bulk of the cost of the property, and it is in effect an accelerated depreciation scheme, and you come down within the estimated life of the property to a residual balance which is approximately equal to its salvage value. But you do it much faster.

Question. Is that allowed now?

Answer. Oh, yes; there are taxpayers on that basis now.

Question. Can others who are not on it get on it?

Answer. From the standpoint of optimum application, that is a matter of tax policy and would have to be answered by the Treasury Department. That's why it is being concurrently considered by the Treasury Department.

Question. In other words, broad changes in depreciation policy would probably have to be done by legislation?

Answer. That approach should always be considered.

SMOOTHER IN BRITAIN

Question. Speaking of the British, have you made any study of their system of tax administration?

Answer. Not recently; no.

Question. The general impression we have over here is that the British sit down with the taxpayer and work out his indebtedness very promptly, without all this endless litigation. Is that true?

Answer. Yes. They do a much better job in that respect than we. For instance, I understand that a British chartered accountant can sit down with a taxpayer and work out his tax return, and when he says to the British Government, "I have made this return, I think it's all right," they will examine it, but a great deal of weight is attached to the fact that a British chartered accountant did the job. They don't seem to have as much or as protracted argument as we.

Question. Do you think we have too many disputes?

Answer. Far too many.

Question. With businesses, or individuals?

Answer. With business, primarily.

Question. Does the taxpayer in this country have a better chance to get his return approved if he has had it made out by an accountant? Do you take that into consideration in this country as they do in Britain?

Answer. Let's put it this way: The Bureau doesn't have any policy of accepting a return merely because it is made by an accountant, but I can tell you from my own experience that the taxpayer who keeps good books and has a good accountant make his tax return has very little trouble.

HAZARDS IN UNREASONABLE SURPLUS

Question. There is a great deal of interest in section 102, which prohibits the retention in business of an unreasonable surplus. After the war, many small businesses were

alarmed by what they thought was an unfriendly, or rigid attitude—

Answer. And let me say that I think those who have been alarmed about it have had good reason to be. Who wouldn't object to having a sword of Damocles hanging over his head?

Question. I wonder whether the attitude has changed, whether or not an ordinary corporation can use its own judgment in retaining income?

Answer. Within reasonable limits, yes. Of course, no one should be allowed to use unnecessary accumulations of corporate profits as a means of escaping taxes that others have to pay. But I regard section 102 as a lever, not as a club, and I think that in applying it the Government should assume the burden of proof. As Commissioner of Internal Revenue I'm willing to accept that burden. I do not think that Congress put section 102 into the law to be used as a pattern for liquidation of the country's traditional enterprise system, to which our people's unparalleled high standard of living is so largely attributable.

Question. The burden should be on the Government?

Answer. Yes.

Question. By and large, it has been the other way around, though, has it not?

Answer. I'm afraid it has. In other words, the position of the taxpayer in that situation is just the same as it is with respect to any other question that the Commissioner raises, he has to prove his case. I don't think this should apply in the case of section 102.

From my point of view, before the Government says to a company that part or all of its profit accumulations are excessive, I think we ought to be ready to prove our case.

Question. At least by indirection, one of your predecessors as Commissioner of Internal Revenue set up a 70 percent rule. The impression was abroad that any small, closely held company that paid out less than 70 percent of its earnings in dividends was suspect under such rule—

Answer. That's right.

Question. Is that still so, are they still suspect, or is there any reason to believe that they are suspect if they pay out less than 70 percent?

Answer. I wouldn't say they are suspect, but I think for orderly and common sense administration of the tax law you've got to have some rule—whether 70 percent distribution is adequate or inadequate, I don't know. I wouldn't want to say. But I say this: You've got to require people to pay out reasonable dividends.

In this question whether accumulations of earnings are necessary in a particular case, you've got to have some standard as a basis to go on. But I don't think it can be any fixed amount—70 percent, or 50 percent, or any other percent.

I think each case has to be considered on its own merits, and when the Commissioner says, "I think you people are taking advantage of a good situation," I think he ought to be able to prove it.

LAW'S POWER TO DESTROY ENTERPRISE

Question. Can that be made policy without a changing of law?

Answer. I hope so. However, I fear that would require legislation. But as Commissioner, regardless of the legislation, that is one section of the law that I would be very reluctant to be harsh about, for the simple reason that I don't think Congress means to destroy enterprise, and I think that section 102 in unwise hands can be used to do just that.

Question. Doesn't the Government often spend more in collecting a tax debt than the collection is worth? What can be done about that?

Answer. In the case of willful and flagrant tax evasion, I don't think anything should

be done about it. The time and effort spent in sending a crook to jail often costs more than the revenue that we obtain from him. But that doesn't worry me, for in the long run the deterrent effect of prosecution on would-be evaders nets us revenue far in excess of the costs of a particular prosecution. Moreover, the fellow should be in jail anyway. As between the jailing of a crook and collecting the taxes he owes, I'd rather see him in jail any time.

As to other classes of underpayments, we propose to take all the factors into consideration in each case and use plain common sense. I certainly do not propose to make minor adjustments in the audit of tax returns just to pick up a few dollars here and there; neither do I propose to issue distraint warrants and liens on insignificant amounts of balances due but unpaid. We have the approval of the Comptroller General's office to write off small debit balances.

Question. What is the morale situation in your Bureau? Are you getting much turnover?

Answer. Well, yes; we are having some turnover, but I think we may say that morale is improving steadily. You see, this is not a spending agency; it is a necessary operating function of the Government. It's always going to be there; therefore, if a man comes to work in the Bureau and keeps his record clean and tends to his business, the chances are he will wind up with a pretty good grade and retire with a fair pension; hence, we don't have as much turnover as some agencies have had. There are a lot of people in the Bureau, and because we are a stable establishment, the average age of all the Bureau's people may be a bit high in relation to some of the other agencies.

However, by a different attitude at the top, I think we have considerably restored, or started morale on the way back up.

Question. Fear isn't a dominant factor, then?

Answer. No. We want to get injected into the Bureau, with the approval of the Civil Service Commission, the idea of accelerated recognition of outstanding merit. If we can get that, it will be a great help. Moreover, we think we have to adopt a firm policy as to discipline. We think it has been too lenient in the past.

Question. What are you going to do about gratuities that come toward these employees? Are you going to prohibit them from receiving any?

Answer. Absolutely.

Question. And what about going to lunch with a taxpayer? Is that a rule of the Bureau?

Answer. It isn't a rule of mine. I think it is unwise for a man to get too chummy with the taxpayer or his agent, but I don't know whether you can have an ironbound rule on that.

ROTATION FOR AGENTS?

Question. Do you think that agents should be moved from one locality to another occasionally?

Answer. I think certain types of personnel ought to be rotated. I haven't decided yet exactly where rotation should stop, but there certainly are types of jobs that call for rotation, and I believe it will make for better service to adopt rotation in those cases.

Question. In the past the Bureau had been accused of withholding prosecution where the Department of Justice is ready to prosecute and the Bureau is not, or vice versa. What have you done about that?

Answer. My feeling about prosecution is that when you find that you have your facts and investigation is finished and prosecution is indicated, the case should go to the Department of Justice promptly with recommendation of prosecution.

Question. There have been a number of cases where they have examined the defend-

ant and found that he supposedly wasn't in good health and so they defer and defer the case, until they finally drop it because the defendant is not well enough to stand trial—

Answer. That's a matter, I think, to be settled by the Department of Justice and the courts. I don't think it is up to the Bureau to determine that. If the Bureau says to the Department of Justice, "Here's a fraud case. We think it ought to be prosecuted, so we are sending it to you. Whether to prosecute or not is your job." Now if they want to determine that health considerations should delay prosecution or stop it, I think that is a matter between the district attorney and the court.

Question. What proportion of your personnel is under civil service now?

Answer. Everyone except me.

REORGANIZING THE BUREAU

Question. What do you do about the deputies that got in at the last minute under the so-called questionable examinations? How are you going to handle those?

Answer. You mean the district commissioners and the directors of revenue?

As far as the reorganization is concerned—that's what you're talking about, I believe—I have said a number of times that I thought the reorganization of the Bureau was structurally and functionally a sound move. I have considerable reservations about the manner in which it was implemented. My feeling is, however, that nobody is smart enough to walk into an organization as big as that and in a matter of a few weeks, or even a few months, know exactly what he wants to do with it.

You have, moreover, a very serious personnel problem involved there. Suppose I determine tomorrow that half of my district commissioners and half of my directors are unsatisfactory. Where would I get 8 district commissioners and 32 directors right quick? Men qualified to hold those jobs aren't running around loose. I'd hope to find them in the Bureau. But in any event it would take time—a good deal of time—to find the right men.

I've asked Congress to let me handle this matter administratively, and I have assured them that, if or to the extent I find I can't handle it that way and need legislation, I'll ask for it. We will not hesitate to replace any officer or employee of the Bureau whom we find not up to his job.

Question. Would you clear up a question about your personal plans? When you took office, didn't you indicate that you were only going to be here for 2 years?

Answer. No; I did not. As to this there has been confusion of my personal plans with my official objectives. What I have said has been that as a necessary goal we are shooting at getting the situation in hand within 2 years. If we did not establish some reasonable deadline for getting our house in order we'd run the risk of wandering aimlessly. It's too early to talk about my personal plans. There's a big job to be done here, we've just started on it, my colleagues in the Bureau are cooperating with me wholeheartedly, and I intend to see it through with them.

TAX UNIT SEPARATE FROM TREASURY?

Question. Have you had any thoughts even before you came into office as to whether the Bureau of Internal Revenue should be divorced from the Treasury and made an independent agency like the Comptroller General's office?

Answer. I'd rather not get involved in that question. If I advocated independence I'd be accused of empire-building ambitions. If I opposed it, and the Treasury Department happened to be opposed to it, too, I'd be accused of submitting to domination. I do not wish to be put in either position. How-

ever, I can discuss the question generally. The important thing, it seems to me, is to settle the question on the basis of what would be best under all conditions.

It so happens that the present Treasury team is a very congenial group. We work together in mutual confidence and complete harmony. Thus, there is no domination of the Bureau; on the contrary, we operate under a grant of broad authority except as to the matters that come under the Chief Counsel of the Bureau, who is functionally responsible to the General Counsel of the Treasury Department.

Obviously, the success of this kind of setup depends largely upon the personalities involved. It seems to me, therefore, that the question is whether from the long-range point of view this is the kind of setup which under all conditions will be most likely to provide administration of the revenue laws that is as directly and as promptly responsive to the intentions of Congress as can be achieved.

So it all boils down to people. The most important thing in the world is people. If I get the right kind of people I can run the Bureau efficiently under any kind of setup.

Question. It has been argued that if you get an independent agency you're liable to get arbitrary action—

Answer. I believe that experience has shown that that can happen under any kind of setup. It's still a question of people.

Question. Have the previous commissioners been practicing accountants like yourself?

Answer. No. I believe I am the first certified public accountant ever appointed to the job.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Delaware, as amended.

The amendment as amended was agreed to.

Mr. DOUGLAS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment, as amended.

The committee amendment, as amended, was agreed to.

Mr. DOUGLAS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. DOUGLAS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Illinois will state it.

Mr. DOUGLAS. May I be permitted to ask a question of the distinguished chairman of the Committee on Appropriations with regard to an item in chapter 2 of the bill? I should like to ask a question about the item on page 5, lines 5 to 10, which appropriates \$9,331.26. I inquire how much of the amount is for the exchange of motor vehicles for the offices of the Secretary of the Senate and the Sergeant at Arms.

Mr. BRIDGES. I will say to the distinguished Senator from Illinois that the item covers the buying of 1 large mail truck and 2 small delivery Chevrolets. The trucks in service now have outlived their usefulness, and their continued operation involves very heavy expense. The item covers mail vehicles for the Senate.

Mr. DOUGLAS. It does not involve automobiles for the Secretary or Sergeant at Arms?

Mr. BRIDGES. Not passenger automobiles, I will say to the Senator from Illinois.

Mr. DOUGLAS. I express the hope that when the general appropriation bill comes before the Senate the majority will observe Spartan simplicity in matters affecting the officials of the Senate.

Mr. JOHNSTON of South Carolina. Mr. President, I should like to add to what has been said that I am familiar with the activities of the Senate Post Office. I know it is necessary at this time to make the appropriation to which the Senator from Illinois has referred. In the long run it will save money for the Government.

Mr. DOUGLAS. I thank the distinguished Senator from New Hampshire, and I will look hopefully in his direction when the main appropriation bill comes before the Senate.

The PRESIDING OFFICER. The bill is before the Senate and open to further amendment. If there be no further amendment to be offered, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill (H. R. 4664) was read the third time and passed.

Mr. BRIDGES. Mr. President, I move that the Senate insist upon its amendments, request a conference thereon with the House of Representatives, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. BRIDGES, Mr. FERGUSON, Mr. CORDON, Mr. HAYDEN, and Mr. RUSSELL conferees on the part of the Senate.

APPOINTMENT OF ADDITIONAL CIRCUIT AND DISTRICT JUDGES

Mr. HOLLAND. Mr. President, inasmuch as I shall be absent tomorrow when, as I understand, the majority leader expects to bring up S. 15, I should like to make a short statement with reference to the portion of the bill which relates to district judges in the southern district of Florida.

First, I wish to thank the committee for providing, as they do in the bill, two additional district judges for the southern district of Florida.

Second, I wish to say, since the two Senators from Florida will necessarily be absent tomorrow, attending the biennial session of the Florida Legislature for their official visit, that I should like to have the RECORD show that in making the recommendation for these two additional judges the distinguished committee has recognized the fact that our very large growth in Florida in recent years has left us in the worst condition possible, so far as congestion of dockets is concerned—the worst, I believe, that can be found anywhere in the Nation.

Our increase in population from 1940 to 1950 was 880,000, and the census figures released not long ago for the estimates as of July 1 of last year showed

an additional increase of between three hundred and four hundred thousand.

The congestion of the dockets in the southern district of Florida, as compared with similar areas of large growth, such as California, Arizona, Oregon, and Washington, is so much worse in Florida that it is greatly in the interest of expediting justice and of making the courts function better to allow two additional judges as provided in S. 15.

I wanted to make this statement for the RECORD by reason of the fact that the two Senators from Florida will not be present tomorrow.

THE SECURITY ORDER RELATING TO FEDERAL EMPLOYMENT

Mr. JOHNSTON of South Carolina. Mr. President, these are dark days for the many faithful and hardworking Federal employees. Under other circumstances I might refer to them as Federal civil servants—however, in view of the happenings of the past few weeks that show a strong tendency to completely destroy the civil-service-merit system, I think it a bit of a misnomer to now associate the words "civil service" with Federal employees.

The purpose of my remarks today is to insert in the body of the RECORD a letter written by George W. Ball, of Washington, and appearing on the editorial page of the Washington Post of May 5, 1953, concerning the new security order just released by the new administration.

I ask unanimous consent that the letter be printed in the RECORD at this point in my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE NEW SECURITY ORDER

As a lawyer with some years of practice in Washington I had come to believe there were faults in the loyalty-security program in effect under the last administration. But the Republican substitute is worse—so much worse that any partisan satisfaction which that fact might give me as a Democrat is overwhelmed by the dismay it causes me as a citizen. The former program at least made a serious effort to satisfy two demands not readily reconcilable: protecting the Federal service against subversion, and assuring the maintenance of a fair and objective standard for hiring and job retention. The new order, in concentrating on the first objective, has lost sight of the second; in so doing it has performed a net disservice to the interests of our national security.

Contrary to the impression created by the President, the procedures elaborated by the draftsmen of the order are not new or original; in their essentials they have been borrowed from existing legislation. This legislation, intended originally to apply to a limited number of security-sensitive agencies, has now been stretched with dubious legality to blanket all Federal agencies.

The most serious procedural problem in this area has always been to give employees an opportunity, consistent with the demands of security, to be told the charges against them and to confront their accusers. The new order leaves it for the security officer to determine how much to tell an accused employee about the charges against him. Security officers, who under the order are investigators and prosecutors, will naturally tend

83D CONGRESS
1ST SESSION

H. R. 4664

IN THE HOUSE OF REPRESENTATIVES

MAY 6, 1953

Ordered to be printed with the amendments of the Senate numbered

AN ACT

Making supplemental appropriations for the fiscal year ending
June 30, 1953, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the following sums are appropriated, out of any money
4 in the Treasury not otherwise appropriated, to supply sup-
5 plemental appropriations for the fiscal year ending June 30,
6 1953, and for other purposes, namely:

7 CHAPTER I

8 DISTRICT OF COLUMBIA

9 FISCAL SERVICE

10 SALARIES AND EXPENSES

11 For an additional amount for "Salaries and expenses,
12 Fiscal Service", \$100,000.

1 COMPENSATION AND RETIREMENT FUND EXPENSES

2 DISTRICT GOVERNMENT EMPLOYEES' COMPENSATION

3 For an additional amount for "District government em-
 4 ployees' compensation", \$41,500.

5 REGULATORY AGENCIES

6 SALARIES AND EXPENSES, OFFICE OF ADMINISTRATOR OF

7 RENT CONTROL

8 For an additional amount for "Salaries and expenses,
 9 Office of Administrator of Rent Control", \$17,000 **(1)** *and*
 10 *the limitation of \$27,000 for payment of terminal leave only,*
 11 *in the appropriation of \$125,000 for necessary expenses for*
 12 *"Office of Administrator of Rent Control", contained in the*
 13 *Supplemental Appropriation Act, 1953, is reduced to \$5,850.*

14 PUBLIC SCHOOLS

15 OPERATING EXPENSES

16 General Administration, Supervision and Instruction

17 For an additional amount for "General administration,
 18 supervision and instruction", \$60,000.

19 VETERANS' SERVICES

20 For an additional amount for "Veterans' services",
 21 **(2)** ~~\$3,000~~ \$5,000.

22 **(3)** OFFICE OF CIVIL DEFENSE

23 SALARIES AND EXPENSES

24 For an additional amount for "Salaries and expenses,
 25 Office of Civil Defense", \$78,285.

COURTS

UNITED STATES COURTS

For an additional amount, fiscal year 1951, for "United States courts", \$4,764.

PUBLIC WELFARE

SAINT ELIZABETHS HOSPITAL

For an additional amount for "Saint Elizabeths Hospital", \$824,243.

SETTLEMENT OF CLAIMS AND SUITS

For the payment of claims in excess of \$250, approved by the Commissioners in accordance with the provisions of the Act of February 11, 1929, as amended (45 Stat. 1160; 46 Stat. 500; 65 Stat. 131), \$45,014.

JUDGMENTS

For the payment of final judgments rendered against the District of Columbia, as set forth in House Document Numbered 106 (Eighty-third Congress), together with such further sums as may be necessary to pay the interest at not exceeding 4 per centum per annum on such judgments, as provided by law, from the date the same became due until the date of payment, \$527.

AUDITED CLAIMS

For an additional amount for the payment of claims, certified to be due by the accounting officers of the District of Columbia, under appropriations the balances of which

1 have been exhausted or credited to the general fund of the
 2 District of Columbia as provided by law (D. C. Code, Title
 3 47, sec. 130a), being for the service of the fiscal year 1950
 4 and prior fiscal years, as set forth in House Document
 5 Numbered 106 (Eighty-third Congress), \$175,600.

6 DIVISION OF EXPENSES

7 The sums appropriated in this Act for the District of
 8 Columbia shall, unless otherwise specifically provided for, be
 9 paid out of the general fund of the District of Columbia, as
 10 defined in the District of Columbia Appropriation Acts for
 11 the fiscal years involved.

12 (4) CHAPTER II

13 LEGISLATIVE BRANCH

14 (5) SENATE

15 CONTINGENT EXPENSES OF THE SENATE

16 (6) *Folding documents: The appropriation for folding docu-*
 17 *ments contained in the Legislative Branch Appropriation*
 18 *Act, 1953, is hereby amended to read "For folding speeches*
 19 *and pamphlets at a gross rate not exceeding \$2 per thousand*
 20 *or for the employment of personnel at a gross rate not ex-*
 21 *ceeding \$1.53 per hour per person".*

22 (7) *Motor vehicles: For an additional amount for main-*
 23 *taining, exchanging, and equipping motor vehicles for carry-*
 24 *ing the mails and for official use of the offices of the Secretary*
 25 *and Sergeant at Arms, \$9,331.26, to be derived by transfer*

1 from the appropriation for "*Folding Documents*", fiscal year
2 1953.

3 (8) *Miscellaneous items*: For an additional amount for
4 "*Miscellaneous items*", exclusive of labor, \$55,000.

5 (9) *Postage stamps*: For an additional amount for postage
6 stamps for the Office of the Sergeant at Arms of the Senate,
7 \$175.

8 (10) *HOUSE OF REPRESENTATIVES*

9 For payment to Mabel H. Withers, widow of Garrett
10 L. Withers, late a Representative from the State of Ken-
11 tucky, \$12,500.

12 (11) *ARCHITECT OF THE CAPITOL*

13 *CAPITOL BUILDING AND GROUNDS*

14 (12) *Rotunda frieze, Capitol Building*: For cleaning and
15 restoring the sections of the Rotunda frieze decorated in fresco
16 by Constantino Brumidi and Filippo Costaggini, \$15,000,
17 to be expended by the Architect of the Capitol under the
18 direction of the Joint Committee on the Library for personal
19 and other services and all other necessary incidental items,
20 without regard to section 3709 of the Revised Statutes, as
21 amended, and to remain available until June 30, 1954.

22 (13) *Senate Office Building*: For an additional amount for
23 "*Senate Office Building*", \$9,200, to remain available until
24 June 30, 1954.

1 (14)THE JUDICIARY

2 OTHER COURTS AND SERVICES

3 FEES OF JURORS

4 For an additional amount for "Fees of jurors",
5 \$350,000.

6 (15)CHAPTER III

7 DEPARTMENT OF HEALTH, EDUCATION, AND
8 WELFARE

9 OFFICE OF EDUCATION

10 SALARIES AND EXPENSES

11 For an additional amount for "Salaries and expenses",
12 \$32,000, to be derived by transfer from the appropriation
13 "Promotion and further development of vocational education",
14 fiscal year 1953.

15 CHAPTER (16)H IV

16 DEPARTMENT OF AGRICULTURE

17 PRODUCTION AND MARKETING ADMINISTRATION

18 AGRICULTURAL PRODUCTION PROGRAMS

19 For an additional amount for formulating acreage-allot-
20 ment and marketing-quota programs on wheat and cotton, to
21 be derived by transfer from any other appropriations avail-
22 able to the Department of Agriculture, \$3,150,000, of which
23 not more than \$600,000 shall be transferred to the account
24 "Administrative expenses, section 392, Agricultural Adjust-
25 ment Act of 1938".

FOREST SERVICE

FOREST ROADS AND TRAILS

For an additional amount for construction of timber access roads to permit removal of insect-infested and insect-killed trees in Montana and Idaho, \$5,000,000, to remain available until expended.

(17) RURAL ELECTRIFICATION ADMINISTRATION

LOAN AUTHORIZATIONS

For an additional amount for rural telephone loans in accordance with the Rural Electrification Act of 1936, as amended (7 U. S. C. 901-924), and for carrying out the provisions of section 7 thereof, to be borrowed from the Secretary of the Treasury in accordance with the provisions of section 3 (a) of said Act, \$15,000,000.

(18) CHAPTER V

INDEPENDENT OFFICES

(19) ECONOMIC STABILIZATION AGENCY

SALARIES AND EXPENSES

The amount made available under this head in the Supplemental Appropriation Act, 1953, for the Office of Rent Stabilization is hereby increased from "\$11,000,000" to "\$11,385,000": Provided, That none of the funds appropriated in this Act shall be used for the payment of annual leave unless the Administrator shall personally certify the payment of such annual leave.

(20)VETERANS' ADMINISTRATION

SERVICEMEN'S INDEMNITIES

For an additional amount for "Servicemen's indemnities", \$650,000, to be derived by transfer from the appropriation "Compensation and pensions", and to remain available until expended.

CHAPTER (21)III VI

GENERAL PROVISIONS

SEC. (22)~~301~~ 601. No part of any appropriation contained in this Act, or of the funds available for expenditure by any corporation included in this Act, shall be used to pay the salary or wages of any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided*, That for the purposes hereof an affidavit shall be considered prima facie evidence that the person making the affidavit has not contrary to the provisions of this section engaged in a strike against the Government of the United States, is not a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or that such person does not advocate, and is not a member

1 of an organization that advocates, the overthrow of the
 2 Government of the United States by force or violence: *Pro-*
 3 *vided further*, That any person who engages in a strike
 4 against the Government of the United States or who is a
 5 member of an organization of Government employees that
 6 asserts the right to strike against the Government of the
 7 United States, or who advocates, or who is a member of an
 8 organization that advocates, the overthrow of the Govern-
 9 ment of the United States by force or violence and accepts
 10 employment the salary or wages for which are paid from any
 11 appropriation or fund contained in this or any other Act shall
 12 be guilty of a felony and, upon conviction, shall be fined not
 13 more than \$1,000 or imprisoned for not more than one year,
 14 or both: *Provided further*, That the above penalty clause
 15 shall be in addition to, and not in substitution for, any other
 16 provisions of existing law.

17 SEC. (23)~~302~~ 602. This Act may be cited as the "Third
 18 Supplemental Appropriation Act, 1953".

Passed the House of Representatives April 22, 1953.

Attest: LYLE O. SNADER,
Clerk.

Passed the Senate with amendments May 6, 1953.

Attest: J. MARK TRICE,
Secretary.

AN ACT

Making supplemental appropriations for the fiscal year ending June 30, 1953, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 6, 1953

Ordered to be printed with the amendments of the
Senate numbered

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

Issued May 26, 1953

For actions of May 25, 1953

83rd-1st, No. 95

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

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HIGHLIGHTS: Senate committee reported USDA reorganization plan. House debated Labor-HEW appropriation bill. House sent 3rd supplemental appropriation bill to conference. House committee reported Army civil appropriation bill. Sen. Malone recommended private ownership for Federal range lands.

SENATE

1. REORGANIZATION. The Government Operations Committee reported adversely S. Res. 100, disapproving Reorganization Plan No. 2 of 1953, relating to this Department (S. Rept. 297)(p. 5596). It was agreed that this measure will be debated May 27 (pp. 5626-7).
2. PERSONNEL. H. R. 4654 was made the unfinished business (p. 5627). As amended by the Senate committee, this bill provides as follows: Removes from the Annual and Sick Leave Act of 1951 Presidential appointees at more than 14,800, and authorizes the President to exempt additional officials. Suspends the entitlement of such persons to lump-sum payments during their exemption. Repeals the Thomas amendment, thereby reinstating the accumulation provisions of the Annual and Sick Leave Act of 1951. Allows accumulation limits to take effect at the beginning of the first pay period of the calendar year, thus permitting the use of unused accrued leave over the Christmas and New Year's holidays, while maintaining the advantages of pay-period accounting.
3. FLOOD CONTROL. The Public Works Committee reported without amendment H. R. 4025, authorizing \$75,000,000 for additional Army flood control on the Columbia River Basin (S. Rept. 303)(p. 5596).
4. INTEREST RATES. Sen. Murray criticized the Treasury policy of permitting increases in interest rates on Government securities (pp. 5636-7).
5. NEW ENGLAND. Sen. Kennedy spoke on the economic problems of New England (pp. 5637-48).
6. RESEARCH. Received a Nebr. Legislature memorial requesting transfer of the Ft. Robinson agricultural station to Nebr. (p. 5592).

HOUSE

7. PERSONNEL. The Post Office and Civil Service Committee reported without amendment H. R. 5275, to extend from Dec. 31, 1953, until June 30, 1954, the time within which the Committee on Retirement Policy for Federal Personnel must submit its report (H. Rept. 452)(p. 5710).
8. FLOOD-CONTROL APPROPRIATIONS. The Appropriations Committee reported H. R. 5376, the Army civil functions appropriation bill for 1954 (H. Rept. 450) on May 23, during adjournment (p. 5710). The Rules Committee reported a resolution for consideration of this bill (p. 5710).
9. LABOR-HEW APPROPRIATION BILL, 1954. Concluded reading for amendment this bill, H. R. 5246, but deferred the vote on passage until today, May 26 (pp. 5657-705). Agreed to a Fogarty amendment to increase by \$6,000,000 the funds for payments to federally-impacted areas for education (pp. 5656-9).
10. THIRD SUPPLEMENTAL APPROPRIATION BILL, 1953. Reps. Taber, Clevenger, Busbey, Cannon, and Whitten were appointed conferees on this bill, H. R. 4664 (pp. 5656-7). Senate conferees were appointed May 6.
11. REORGANIZATION. A Government Operations subcommittee voted to report to the full committee H. R. 4206, to establish a Commission on Governmental Functions and Fiscal Resources, and H. R. 992, to establish a Commission on Organization of the Executive Branch (May 22)(p. D467). Rep. Brown, Ohio, urged quick passage of these bills (p. 5656).

BILLS INTRODUCED

12. MISSOURI BASIN. S. 1964, by Sen. Martin, to modify the comprehensive plan for the Missouri River Basin authorized by the Flood Control Act of 1944; to Public Works Committee (p. 5596).
13. PERSONNEL. S. 1965, by Sen. Mundt, to prevent the payment of Civil Service or Foreign Service retirement annuities to persons convicted of certain disloyalty crimes; to Post Office and Civil Service Committee (p. 5596). Remarks of author (pp. 5596-7).
14. ELECTRIFICATION. S. 1971, by Sen. Aiken (for Sen. Ives), to provide for electric power development of the Niagara River; to Public Works Committee (p. 5596). Remarks of author (p. 5600).
15. CREDIT UNIONS. S. 1973, by Sen. Butler, Md., providing for insurance of membership share balances in Federal credit unions by FDIC; to Banking and Currency Committee (p. 5596).
16. GRAZING LANDS. S. 1982, by Sen. Malone, to establish a special grazing district in Nev., etc.; to Interior and Insular Affairs Committee (p. 5596). Remarks of author, including recommendation for private ownership of Federal grazing lands (pp. 5627-30).
17. RECLAMATION. H. R. 5377, by Rep. Dondero, to rescind the authorization for the Libby Dam project; to Public Works Committee (p. 5710).

ITEMS IN APPENDIX

18. LIVESTOCK INDUSTRY. Sen. Thye inserted his speech before the Natural Livestock

Plant, Timothy J. Quirk, Michael J. Racioppi, Manning J. Wilcoxon and Thomas Gillespie Walsh shall constitute the original board of trustees under this act; that the board of trustees shall elect, from among themselves, one member to be president, one member to be vice president, one member to be treasurer, and one member to be secretary of said corporation; that at the first meeting of the board subsequent to the passage of this act the trustees shall be divided into three classes, the members of the first class to serve for a period of 1 year, the members of the second class to serve for a period of 2 years; and the members of the third class to serve for a period of 3 years; that the said trustees shall serve for the periods mentioned and/or until their successors are designated, the power of designation being in the board of trustees; that the selection of new trustees and their designation to classes shall be in the discretion of the board of trustees; that the number of professorships which may be established by said corporation shall be left to the discretion of the board of trustees, who shall have the power to establish ordinances and bylaws for the conduct of the business of the corporation, or to alter, repeal, and amend the same, and also power to frame laws and regulations to govern the faculty and students in all departments thereof and to designate such professors and lecturers as they shall deem necessary and with such salaries and duties as the said board of trustees shall deem proper: *Provided, however,* That no member of the board of trustees, except the president, shall serve in a teaching capacity in the university.

SEC. 3. That the said trustees may receive, invest, and administer endowments and gifts of money, and property absolute or subject to payments by way of annuities, during the life of the donor, for the maintenance of educational works by said university, and they shall have all the powers and authority hereby granted to or invested in the trustees of said university by chapter 18, of the Revised Statutes of the United States, relating to the District of Columbia.

SEC. 4. The said corporation shall adopt a common seal, under and by which all deeds, diplomas, and acts of the said university or corporation shall pass and be authenticated, and the same seal at their pleasure to break and alter, or to devise a new one.

SEC. 5. That the funds, moneys, and properties of the corporation shall be held in the name of Columbus University and that the funds or the income of the corporation, or any part thereof, shall be used for no purpose or object other than to promote and advance the best interests of Columbus University.

SEC. 6. No institution of learning hereafter incorporated in the District of Columbia shall use in or as its title, in whole or in part, the words "Columbus University."

SEC. 7. Nothing in this act contained shall be so construed as to prevent Congress from altering, amending, or repealing same.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. O'HARA of Minnesota. Mr. Speaker, that concludes the business of the Committee on the District of Columbia for today.

ECONOMIC STUDIES BY THE DEPARTMENT OF COMMERCE

(Mr. REED of Illinois asked and was given permission to extend his remarks at this point and include correspondence with the Secretary of Commerce.)

Mr. REED of Illinois. Mr. Speaker, on March 3, 1953, I spoke on this floor about the significant accomplishments which had occurred in the field of newsprint as a result of the cooperative efforts of the Department of Commerce and the Committee on the Judiciary. At that time I indicated the extent to which the joint activities of the Department and the committee had encouraged private enterprise to invest in new productive facilities for manufacturing newsprint from sugarcane bagasse, thus proving the effectiveness of constructive activity by the legislative and executive branches working together to open up new fields for development by private enterprise.

In March of this year I wrote to the Honorable Sinclair Weeks, Secretary of Commerce, requesting that the Department conduct additional studies on behalf of the committee dealing with incentives to the development of industry by private capital and industrial organization in certain selected areas of the national economy. At the close of my remarks I am inserting this letter, together with Mr. Weeks' reply and my acknowledgment thereof.

Many Members of Congress and businessmen generally will be pleased to observe that the Secretary has agreed to provide these studies dealing with incentives to private industry and industrial structure.

This material will be indispensable to the committee on the performance of its legislative duties, especially where clarification of the antitrust laws is concerned. The material will also be of important benefit to private enterprise in developing new industries and new sources of raw materials. The work already conducted by the Department of Commerce at the request of the committee with respect to newsprint is a concrete example of how private investment in new facilities can be stimulated by studies of this general nature.

The Secretary is to be commended for his foresight in undertaking this program for the committee and in making available to private industry as well the important data which only his Department is in a position to provide. Credit must be given to the new administration for recognizing the serious gap which existed in available economic data and in fostering cooperative endeavors of the legislative and executive branches of the Government.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON THE JUDICIARY,
Washington, D. C., March 16, 1953.

Hon. SINCLAIR WEEKS,
Secretary of Commerce,
Washington, D. C.

MY DEAR MR. SECRETARY: In writing you for the first time, I want to express my great personal satisfaction that the Department of Commerce is in the able hands of a man so well acquainted with the practical problems of business. I know that the Committee on the Judiciary will be able to count upon your Department for effective cooperation in matters of mutual concern.

The Department of Commerce has made significant contributions to the work of this committee in the past. As recently as March 3, 1953, I referred on the floor of the Con-

gress to the noteworthy achievement being made by your organization, in cooperation with the Judiciary Committee, in developing new sources to augment our national supply of newsprint, such as the use of sugarcane bagasse as a raw material. The joint efforts of the Department and this committee in the field of newsprint afford a concrete example of how a Federal agency working in conjunction with a congressional committee can open up entirely new fields for development by private enterprise, without financing by the Government.

We are looking forward with keen interest to the presentation in the near future of the Department's additional reports, requested by the committee in connection with its newsprint investigation, which I understand will relate to the development of new processes for the production of newsprint from hardwoods, the prospective use of Alaskan timber resources, and the recovery of newsprint by deinking wastepaper.

These newsprint studies were undertaken, and the initial report pertaining to bagasse was made, under the assigned supervision of Mr. H. B. McCoy, then Deputy Administrator of the National Production Authority. In late November last, I formulated a general program for the continuation during the 83d Congress of the committee's studies and investigations of antitrust matters, and I therefore requested Mr. McCoy by letter to broaden the scope of the Department's studies to embrace certain other basic industries, reports on which would be of inestimable value to this committee in the consideration and proper discharge of its responsibilities with respect to antitrust legislation. Any legislative action in a field so fundamental to the operation of our economy must necessarily be based upon a careful study of the facts concerning the major structural changes which have occurred in the location, technology, and concentration of industry as a result of defense expansion.

Now that the program of the committee has been more specifically defined, particularly with respect to the order of consideration, I should like to request that initial attention in the Department's studies be given to the following industry groups:

1. Steel.
2. Chemical.
3. Capital goods.
4. Pulp and paper.

It would be extremely useful to the committee if, as part of the Department's presentation of the above studies, it could also submit a comprehensive analysis of the financial incentives and deterrents to private industry which are incident to the development of new enterprises or the expansion of existing enterprises, with case studies showing the operation and significance of these factors in specific situations.

I was pleased to learn from Mr. McCoy in December that Mr. Jesse J. Friedman, who had been in charge of the newsprint study for your Department, was designated to supervise and direct the preparation of the additional studies requested. I may say that Mr. Friedman has made a splendid contribution to the work of the committee in the past, and I have every confidence in him and in his ability effectively to assist the committee in the future. I have designated the committee counsel, Mr. Malcolm Mecartney, to represent the committee in this matter and to cooperate with Mr. Friedman in every way possible to facilitate the progress of this project.

The studies requested will be an indispensable contribution to the committee in its consideration not only of the adequacy of present antitrust laws and the effectiveness of their administration, but also of legislative proposals for the modification of such statutes. Moreover, I am sure that the in-

formation will be of inestimable value to the business community and to the general public.

In view of the outstanding success of the Department's previous studies for the committee on the production of newsprint from bagasse, I am confident that a similar contribution will be made by the Department in completing the work outlined above and that the results of this program will further demonstrate the effective working relationship between the executive and legislative branches of the Government, in the public interest.

With assurances of highest esteem, I am
Sincerely,

CHAUNCEY W. REED,
Chairman.

THE SECRETARY OF COMMERCE,
Washington, D. C., May 1, 1953.

The Honorable CHAUNCEY W. REED,
Chairman, Committee on the Judiciary,
House of Representatives, Washington,
D. C.

DEAR MR. REED: Thank you for your cordial letter concerning the studies being carried on by my Department in cooperation with your committee. I am gratified by your complimentary remarks concerning our contribution to the work of the committee, and am in accord with your view that constructive collaboration between the executive and legislative branches, as exemplified by the successful relationship between the Judiciary Committee and the Department of Commerce, best serves the cause of good and efficient government.

As members of my staff have informed members of your staff, I have delayed a definite answer to your letter regarding special industry studies because of reorganization and budget problems relating to the coming fiscal year. I am very much interested in your statement regarding the program of your committee evolving legislation and policies to foster the sound development and growth of private enterprise. I agree with you about the importance of such a program, and I will provide a staff and assign to it the studies you request. I believe that considerable material has already been developed and our staff reorganization has progressed to the point where I think we can provide the material you want in the reasonably near future.

With kindest personal regards,

Sincerely yours,
SINCLAIR WEEKS,
Secretary of Commerce.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON THE JUDICIARY,
Washington, D. C., May 7, 1953.

Hon. SINCLAIR WEEKS,
Secretary of Commerce,
Washington, D. C.

DEAR MR. SECRETARY: I have received your letter of May 1, 1953, and am very pleased that you have provided for the completion of the studies and reports which I have requested on behalf of the Committee on the Judiciary. In my opinion, this work will be of immeasurable benefit to the legislative activities of the committee as well as to business interests generally.

Be assured that all members of the committee are looking forward with great interest to the presentation of the Department's reports.

With assurances of highest esteem, I am,
Sincerely yours,

CHAUNCEY W. REED,
Chairman.

CALL OF THE HOUSE

Mr. BAILEY. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Obviously a quorum is not present.

Mr. HALLECK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 43]

Abbott	Ford	Mumma
Adair	Forrester	Neal
Andrews	Frelinghuysen	Nelson
Angell	Friedel	Norblad
Aspinall	Fulton	Norrell
Ayres	Gamble	O'Brien, Mic
Baker	Garmatz	O'Brien, N. Y.
Barrett	Gary	O'Neill
Becker	Goodwin	Osmer
Bender	Gordon	Passman
Bishop	Granahan	Patman
Blatnik	Grant	Patten
Bolton	Green	Pfost
Frances P.	Gubser	Phillips
Bolton	Hagen, Minn.	Pilcher
Oliver P.	Haley	Pillion
Bonner	Hand	Poulson
Boykin	Hardy	Powell
Brooks, La.	Hart	Prouty
Buchanan	Hays, Ark.	Rains
Bush	Hays, Ohio	Rhodes, Pa.
Byrne, Pa.	Heller	Robison, Ky.
Canfield	Hess	Rogers, Mass.
Carlyle	Hiestand	Roosevelt
Case	Hillings	Sadlak
Celler	Hinshaw	Scherer
Chatham	Hoeben	Secrest
Chudoff	Holt	Shafer
Cole, N. Y.	Hope	Shelley
Cooley	Hosmer	Sikes
Corbett	Jarman	Simpson, Pa.
Coudert	Javits	Smith, Miss.
Crumpacker	Johnson	Smith, Va.
Cunningham	Jones, Mo.	Springer
Dague	Kearney	Stringfellow
Davis, Ga.	Kelley, Pa.	Sullivan
Dawson, Ill.	Kelly, N. Y.	Taylor
Dawson, Utah	Kersten, Wls.	Thompson, La.
Derounlan	Klein	Thompson, Tex.
Dingell	Kluczynski	Tuck
Dodd	Lesinski	Utt
Dollinger	Loyre	Van Pelt
Dolliver	McCormack	Velde
Donovan	Mack, Ill.	Vorys
Dorn, N. Y.	Mahon	Warburton
Dorn, S. C.	Mailliard	Wharton
Dowdy	Martin, Iowa	Whitten
Doyle	Meador	Wickersham
Durham	Metcalf	Widnall
Eberharter	Miller, Nebr.	Willis
Edmondson	Miller, N. Y.	Wilson, Calif.
Elliott	Mollohan	Wilson, Ind.
Engle	Morgan	Winstead
Fallon	Morrison	Zablocki
Finé	Multer	

The SPEAKER. On this rollcall 252 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

CIVIL FUNCTIONS, DEPARTMENT OF THE ARMY, APPROPRIATION BILL, 1954

Mr. ALLEN of Illinois, from the Committee on Rules, reported the following privileged resolution (H. Res. 244, Rept. No. 451), which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 5376) making appropriations for civil functions administered by the Department of the Army for the fiscal year ending June 30, 1954, and for other purposes, and all points of order against said bill or any provisions contained in said bill are hereby waived. After general debate, which shall be confined to the bill and continue not to exceed 3 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Appropriations, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the con-

sideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

ORGANIZATION OF THE EXECUTIVE BRANCH OF THE GOVERNMENT

(Mr. BROWN of Ohio asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. BROWN of Ohio. Mr. Speaker, I wish to bring to the attention of the House two very important matters which have escaped the attention of this body and the American people. This is understandable when we consider a possible Korean truce, a Big Three meeting, the dissolution of the French Cabinet, balancing of the budget, and so forth. What I have reference to are two bills, H. R. 4406, "To establish a Commission on Governmental Functions and Fiscal Resources," and H. R. 992, "For the establishment of the Commission on Organization of the Executive Branch of the Government." In my opinion and in the opinion of the majority leader, the President, Senator TAFT, and many others, these are two of the most important bills which will come before this body this session. These bills, which are closely related, lay the foundation for the proper adjustment of the numerous relationships between the Federal Government and State and local governments. They also provide for the continuation of the reorganization of the executive branch of the Federal Government in order that it may operate efficiently and economically and thus make minimum demands upon the sources of tax revenue which sustain the States and counties also. While a good start has been made under the Hoover Commission, it is only a start, and we must renew our efforts to make our sprawling executive branch much more efficient and economical.

Last Friday, the Intergovernmental Relations Subcommittee of the Government Operations Committee, unanimously reported out both these bills for the consideration of the full committee. I want to congratulate the chairman of the subcommittee, the gentlewoman from Indiana, Mrs. CECIL M. HARDEN, for her fine work on these bills. I also want to congratulate the individual members of the subcommittee, Mr. MEADER, Mr. OSMERS, Mr. HILLELSON, Mr. BROOKS of Texas, Mr. CONDON, and Mr. PILCHER, for their work on these two measures which are of such importance to our country.

It is my earnest hope that the House may soon take quick action on these bills and catch up with the Senate which has, as you know, unanimously voted on companion bills.

THIRD SUPPLEMENTAL APPROPRIATION BILL, 1953

Mr. TABER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 4664) making supplemental appropriations for the year ending June 30, 1953, and for

other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from New York? [After a pause.] The Chair hears none, and appoints the following conferees: MESSRS. TABER, CLEVENGER, BUSBEY, CANNON, and WHITTEN.

DEPARTMENTS OF LABOR, AND HEALTH, EDUCATION, AND WELFARE, AND RELATED INDEPENDENT AGENCIES, APPROPRIATION BILL, 1954

Mr. BUSBEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 5246) making appropriations for the Departments of Labor and Health, Education, and Welfare, and related independent agencies, for the fiscal year ending June 30, 1954, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 5246, with Mr. NICHOLSON in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. The Clerk will continue the reading of the bill.

The Clerk read as follows:

Salaries and expenses: For expenses necessary for the Office of Education, including surveys, studies, investigations, and reports regarding libraries; fostering coordination of public and school library service; coordination of library service on the national level with other forms of adult education; developing library participation in Federal projects; fostering nationwide coordination of research materials among libraries, interstate library coordination and the development of library service throughout the country; purchase, distribution, and exchange of educational documents, motion-picture films, and lantern slides; collection, exchange, and cataloging of educational apparatus and appliances, articles of school furniture and models of school buildings illustrative of foreign and domestic systems and methods of education, and repairing the same; \$2,500,000: *Provided*, That all receipts from non-Federal agencies representing reimbursement for expenses of travel of employees of the Office of Education performing advisory functions to the said agencies shall be deposited in the Treasury of the United States to the credit of this appropriation.

Mr. FOGARTY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, for the benefit of members of the Committee, I should like them to know that after I have made this little talk, I will offer an amendment to increase the payments to school districts in federally impacted areas and an amendment to increase the appropriation for vocational rehabilitation, and then I shall offer an amendment to increase the hospital construction program from \$50 million to \$75 million, and then an amendment covering the hospital and medical care program.

Mr. Chairman, I had expected to offer an amendment at this point in regard

to the construction of school facilities under Public Law 815. But I have been advised by the clerk of the committee that it would not be germane to this particular bill because this bill makes appropriations starting July 1, 1953. It was to be for \$95 million for the construction of school facilities in these federally impacted areas. I just want to let the committee and the Congress know that when the next supplemental bill comes before the House, I will offer that amendment for the construction of school facilities in federally impacted areas of \$95 million. That means that all of these schools that have met the criteria and whose applications have been accepted would be entitled to that \$95 million.

In passing Public Law 815, Congress declared it to be the policy of the United States that in recognition of the impact that certain Federal activities have had on the school construction needs in the areas in which Federal activities have been or are being carried on the United States would bear the cost of constructing school facilities in such areas in the manner and to the extent provided under the terms of the act. The law provided a specific formula for determining the eligibility of school districts for assistance and the amount of Federal assistance each district was entitled to receive.

This law authorized 2 years, to June 30, 1952, in which school districts could make applications; 3 years, to June 30, 1953, in which appropriations could be made to pay the established entitlements; and 1 remaining year to complete the program. The law further provided that if a school district had spent its own funds and built school facilities for the Federally connected children in its district, it could receive a reimbursement payment not to exceed either the cost of constructing the school facilities or the amount of the entitlement. However, under the law all requests for construction had to be met before any reimbursement request could be paid.

In testifying before the House subcommittee on the status of the school construction program authorized by this act, officials of the Office of Education reported that 1,128 school districts submitted applications for assistance under section 202 of the act by June 30, 1952, the last date on which applications could be accepted. Of that number 940 school districts were eligible for assistance and 188 were found to be ineligible. These 940 eligible school districts submitted approximately 1,600 requests for construction amounting to \$362 million and 184 requests for reimbursement amounting to a little over \$25 million. Requirements for school facilities on Federal property under section 204 of the act were reported to be \$43,380,000 and for temporary facilities under section 203 were \$5 million, making a grand total required of \$435,828,608. These data are shown in a table on page 166 of the hearings before the subcommittee for appropriations for 1954 for the Department of Labor and the Federal Security Agency.

This table also shows that the Congress has appropriated \$341,500,000 to meet the total requirements of approximately

\$435 million. The amount appropriated is now approximately \$95,500,000 short of meeting the total requirements. The remaining entitlements that cannot be paid because of insufficient appropriations are made up of \$70,800,000 in construction applications and approximately \$25 million in reimbursement applications.

Because the funds appropriated were insufficient to meet all of the entitlements, Office of Education officials testified that it was necessary to allot funds on the basis of the greatest relative urgency of need as required by the act. In setting up the priority formula and distributing this money the office provided funds for only minimum school facilities for 90 percent of the unhoused children in any district. In other words they required that each school district absorb 10 percent of its enrollment in order to spread these funds as far as possible to provide minimum school facilities for unhoused children.

The testimony on page 175 of the hearings shows that in my own State of Rhode Island there were 4 school districts eligible for assistance under this act and these 4 districts were entitled to and had requested \$831,000 for construction of school facilities and \$77,933 for reimbursement. Only 1 school district in the entire State—the Middleton School district—has received an allotment of funds under this law, and it received \$322,107. This leaves an amount of \$509,014 in construction and \$77,933 in reimbursement, or a total of \$586,947, which the law says the federally impacted school districts in Rhode Island are entitled to receive, yet a total of only \$322,000, or about 35 percent of the entitlement, can be paid to these districts with the funds that have been appropriated.

Office of Education officials testified during the hearings before the subcommittee that, as a result of questionnaire returns submitted by federally affected school districts, there would be a very substantial impact of additional federally connected children migrating into these defense areas between June 30, 1952, the last date on which applications could be submitted, and June 30, 1954. This is in addition to the fact that a substantial number of school districts that were eligible for assistance under Public Law 815 have received no funds to date and that those school districts that did receive allotments were restricted to amounts sufficient to house only 90 percent of their unhoused children. Mr. Leonard O. Maine, superintendent of schools in Portsmouth, R. I., in a letter to me dated March 15, 1953, stated that his school district was entitled to \$77,932 under Public Law 815. On the strength of this entitlement and in anticipation of its payment, the town borrowed money and built a school to accommodate defense-connected children and requested reimbursement of this amount. That reimbursement has not been paid for the reasons previously stated. Mr. Maine says that a trailer housing project for 300 families is now being constructed on Navy property in Melville and that this

project probably will yield more than 300 additional school children. He further states that the present school facilities are crowded and that the addition of these children will make the situation in Portsmouth critical.

Office of Education officials testified that these federally impacted communities had provided from their own sources \$550 million during the period beginning with World War II to build needed school facilities in their districts. These districts also provided an additional \$80 million to put into projects for which they received an allotment of funds under Public Law 815. In other words in addition to a half billion dollars spent during the period of World War II, these districts paid approximately 25 percent of the total cost of projects approved under Public Law 815. Thus it appears that many of these school districts have pretty well exhausted their resources to provide additional school facilities. These data are found on page 180 of the hearings.

In view of the fact that Public Law 815 stated it to be the policy of the United States to compensate these school districts for the burden imposed on them by Federal activities and that part but not all of the school districts have received that compensation, I believe that this Congress has a moral obligation to appropriate the \$95,500,000 necessary to meet the eligible requests for construction and for reimbursement that have been submitted to the Office of Education in accordance with the terms of the act. I do not see how we can pass a law that says all districts that meet certain requirements are eligible for Federal assistance and then by not appropriating sufficient funds say that only certain school districts can receive that money. This is particularly bad policy in my opinion when it generally is the school districts that have done most with their resources that now cannot receive the funds which the law says they are entitled to receive.

Mr. Chairman, I offer an amendment, which is at the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. FOGARTY: On page 15, line 1, strike out "\$60,500,000" and insert "\$66,500,000."

Mr. GWINN. Mr. President, a point of order.

The CHAIRMAN. The gentleman will state the point of order.

Mr. GWINN. The reading clerk went so rapidly on page 14 that he did not even mention a little item of \$2,500,000. I want to make a point of order in regard to that language, and if the chairman please I would like the language to be read. I want to make a point of order against the language.

Mr. PRESTON. Mr. Chairman, a point of order.

Mr. GWINN. Mr. Chairman, may I state the point of order?

The CHAIRMAN. The gentleman will be heard on the point of order.

Mr. GWINN. Mr. Chairman, I make the point of order that the language on page 14 from lines 3 to 22 inclusive contains legislation on an appropriation bill. It is obvious from the language itself

that it provides for expenditures for activities and programs which are not authorized by basic law, and is, therefore, in violation of clause 2 of rule 21.

The CHAIRMAN. The Chair must rule that the gentleman from Rhode Island had debated this paragraph, and the point of order comes too late.

Mr. GWINN. Mr. Chairman, I was on my feet at the time. I asked unanimous consent that my point be heard.

The CHAIRMAN. The gentleman from New York should have raised the point of order then.

Mr. JUDD. Mr. Chairman, if the gentleman will yield. The gentleman from New York was on his feet and the Chairman properly, I think, recognized the gentleman from Rhode Island, a member of the committee. But the gentleman from New York was on his feet simultaneously, and I saw him on his feet.

The CHAIRMAN. The Chair, according to custom, always recognizes a member of the committee before someone else. Therefore, the Chair recognized the gentleman from Rhode Island [Mr. FOGARTY]. Then the gentleman from New York [Mr. GWINN] could have raised the point of order.

Mr. TABER. But he raised the point of order before the amendment was read.

Mr. BUSBEY. Mr. Chairman, I ask unanimous consent to return to the paragraph on salaries and expenses starting in line 3 on page 14.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

Mr. PRESTON. Mr. Chairman, reserving the right to object, the gentleman from New York is not a novice on this floor. The gentleman from New York has served here many years with distinction. He knows the procedure of the House. The gentleman from Rhode Island [Mr. FOGARTY] made his statement and then offered an amendment which the Clerk reported. If the gentleman from New York [Mr. GWINN], at the moment when the gentleman from Rhode Island offered his amendment, had then risen, before the amendment was reported, there might have been some reason for granting this unanimous-consent request. But in view of the fact that he was here, paying attention, listening to the amendment being read, and then undertakes to go back, I feel constrained to object, and I do object.

The CHAIRMAN. The gentleman from Illinois [Mr. BUSBEY] asks unanimous consent to return to salaries and expenses.

Is there objection?

Mr. PRESTON. Mr. Chairman, I object.

Mr. FOGARTY. Mr. Chairman, I have offered an amendment, which is at the desk.

Mr. HALE rose.

The CHAIRMAN. For what purpose does the gentleman from Maine seek recognition?

Mr. COOPER. Mr. Chairman, a point of order. The gentleman from Rhode Island [Mr. FOGARTY] has been recog-

nized and offered his amendment, and is entitled to recognition in support of the amendment which has been reported.

The CHAIRMAN. The gentleman from Rhode Island [Mr. FOGARTY] is recognized. The Clerk will read.

The Clerk read as follows:

Payments to school districts: For payments to local educational agencies for the maintenance and operation of schools as authorized by the act of September 30, 1950 (Public Law 874), \$60,500,000: *Provided*, That this appropriation shall also be available for carrying out the provisions of section 6 of such act.

Mr. FOGARTY. Mr. Chairman, I offer an amendment, which is at the desk. The Clerk read as follows:

Amendment offered by Mr. FOGARTY: On page 15, line 1, strike out "\$60,500,000" and insert "\$66,500,000."

Mr. FOGARTY. Mr. Chairman, I had no desire to restrain the gentleman from New York [Mr. GWINN] from offering an amendment, but I think the RECORD will show that the Clerk had read through lines 3 to 22, and it was not until after he had read the next paragraph, "Payments to school districts," that I asked for recognition and received it.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. FOGARTY. I yield to the gentleman from New York.

Mr. TABER. I just want to say that hereafter on this bill every word must be read.

Mr. FOGARTY. I think that is a good idea, because it seems very strange to me that a quorum call just concluded shows that only 250 Members are present in Washington. Over 160 Members are not present in this House when we are considering an appropriation bill that calls for the expenditure of \$2 billion. I hope that every word of the bill will be read, as suggested by the chairman of the Committee on Appropriations [Mr. TABER], because I think it is that important.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. FOGARTY. I yield to the gentleman from Arkansas.

Mr. HARRIS. In view of the statement just made by the gentleman, I think the gentleman should also include in his statement that under a previous arrangement over 100 Members are out in Yucca Flat, at the experimental explosion of the atomic bomb.

Mr. FOGARTY. Which is, I would say, on official business.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. FOGARTY. I yield.

Mr. TABER. I wonder if the gentleman does not think that the consideration of this bill is official business?

Mr. FOGARTY. I certainly do, and I think the gentleman from New York will consider that I was one who wanted to finish this bill on Friday. If we had continued on until around 7:30 we could have had it finished with most of the Members here.

Mr. TABER. It was evident that we could not.

Mr. FOGARTY. Not in my opinion.

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued
For actions of

June 8, 1953
June 5, 1953
83rd-1st, No. 103

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HIGHLIGHT: Conferees agreed to file report on 3rd supplemental appropriation bill.

HOUSE

1. SMALL BUSINESS. Passed as reported H.R. 5141, to create the Small Business Administration (pp. 6328-59).
2. APPROPRIATIONS. The "Daily Digest" states: "Conferees, in executive session, agreed to file a conference report on the differences between the House- and Senate-passed versions of H.R. 4664, third supplemental appropriations" (p.D518).
3. ECONOMIC CONTROLS. The Banking and Currency Committee was granted permission to file, by midnight Saturday, a report on S. 1081, providing for temporary economic controls (p. 6362).
4. COLUMBIA BASIN. Rep. Angell inserted Hillman Lueddemann's recent speech wherein he stated that, in order to strengthen "the Northwest's tomorrow, we must regard the Columbia Basin as a single economic unit" and "as an integrated agricultural unit" (pp. 6359-61).
5. ROADS. Received a Mich. Legislature memorial requesting the Federal Government to give consideration to the Hearst plan for better roads (p. 6362).
6. ADJOURNED until Mon., May 8 (p. 6362); The legislative program for next week as stated by the majority leader: Mon., D. C. bills; then for balance of week:

S. 1081, economic controls bill; H.R. 5304, trip leasing bill; and bill extending the Reciprocal Trade Agreements Act (if rules are reported for consideration of these bills). These bills will not necessarily be taken up in this order (p. 6359).

SENATE

7. APPROPRIATIONS. The Appropriations Committee ordered reported (but did not actually report) without amendment H.R. 5174, the Treasury-Post Office appropriations bill for 1954 (p. D515).
8. LEGISLATIVE PROGRAM. The "Daily Digest" states: Mon., Calendar will be called from the beginning, and S. 690, lease-purchase agreements; remainder of week, H.R. 5227, Agriculture appropriations for 1954, and possibly H.R. 5174, Treasury-Post Office appropriations for 1954 (p. D518).

ITEMS IN APPENDIX

9. ST. LAWRENCE SEAWAY. Rep. Van Zandt inserted a Wall Street Journal editorial urging caution in considering the feasibility of this project (p. A3399).
10. EXPENDITURES. Rep. Dowdy inserted a Palestine (Tex.) Herald Press editorial titled, "Budget Can Be Balanced" (pp. A3400-01).
11. FARM PRICES. Rep. Bow inserted the results of a poll conducted by the Ohio Farm Bureau Federation among farmers of his District on farm-price problems (pp. A3402-03).
12. TEA. Rep. Judd inserted a statement by Robert Smallwood, Tea Council of the U.S., before a Foreign Relations Subcommittee, and a New York Herald Tribune article discussing the formation of a new corporation composed of American businessmen and the Governments of India, Ceylon, and Indonesia to promote the sale of tea in the U.S. (pp. A3403-04).
13. TREATIES. Rep. McVey inserted a Daily Calumet editorial favoring Sen. Bricker's proposed constitutional amendment to limit the treaty-making power (pp. A3406-07).
14. WOOL; FOREIGN TRADE. Rep. Stringfellow inserted a speech by J. M. Jones, National Woolgrowers Ass'n., urging protection of the domestic wool industry from foreign competitors (p. A3407).
15. BUDGETING. Extension of remarks of Rep. Colmer favoring his bill, H.R. 1710, to set up a joint committee to evaluate the budget by the H. and S. Appropriations Committees (pp. A3408-09).

BILLS INTRODUCED

16. IMMIGRATION. H.R. 5583, by Rep. Multer, to assist in relieving the current immigration and refugee problem by providing for the issuance of 240,000 special immigrant visas during the 2 fiscal years commencing July 1, 1953, and July 1, 1954; to Judiciary Committee (p. 6362).
 17. REORGANIZATION. H. Resolutions 261, 262, 263, disapproving Reorganization Plans No. 7, 8, and 9 of 1953; to Gov't. Operations Committee (introduced June 4) (p. 6168).
- COMMITTEE HEARINGS ANNOUNCEMENTS FOR JUNE 8: Wheat marketing quotas, H. Agriculture (exec.). USDA appropriation bill, S. Appropriations (exec.).

Co.; John L. Collyer, B. F. Goodrich Co.; and C. W. Thomas, Phillips Petroleum Co. Hearings will be continued Monday morning.

MUTUAL SECURITY

Committee on Foreign Affairs: Continued its executive consideration of proposed extension of the mutual security program and heard the following witnesses during its day-long session—C. Tyler Wood, Deputy to the Director for Mutual Security; N. E. Halaby, Deputy Assistant Secretary of Defense for International Security Affairs; Otis Mulliken, Officer in Charge of United Nations Social Affairs, Department of State; George L. Warren, Adviser on Refugees, Office of United Nations Affairs, Department of State; Joseph Henderson, Division of International Administration, Department of State; Dr. M. M. Elliot, Director, Children's Bureau, Department of Education and Welfare; Maj. Gen. George C. Stewart, Director, Office of Military Assistance, Department of Defense; Brig. Gen. S. C. Russell, G-4, Department of the Army; Col. J. B. Corbett, G-4, Department of the Army; Edwin M. Martin, Special Assistant for Mutual Security Affairs, Department of State; and Robert E. O'Hara, Office of the Secretary of Defense.

Recessed until tomorrow (Saturday) morning.

TECHNICAL COOPERATION

Committee on Government Operations: The Brownson Subcommittee on International Operations concluded the 3-day hearings which were conducted in connection with its study of the Technical Cooperation Administration of the State Department. TCA officials have appeared for testimony each day and have answered committee questioning regarding the policies and concepts of the Administration. Witnesses were heard today regarding the handling of trainees and methods used in training for the TCA. Those heard were Miss Alden Richardson, training specialist and foreign affairs officer, education and technical training staff; Dr. Wilfred Mauck, Acting Director, education and technical training; J. Carney Howell, TCA Comptroller; Richard Cook, program officer, IIAA; Edward R. Pierce, Chief, NEADS, Training Branch; Wesley McCann, training operations staff, IIAA; and Miss Lohva Wakefield, Chief, ADS, training operations staff.

PUBLIC LANDS

Committee on Interior and Insular Affairs: The D'Ewart subcommittee approved the following bills for reporting to the full committee—H. R. 998, amended, authorizing the Secretary of the Interior to issue a patent to the State of Idaho for certain land; H. R. 2913, private bill; H. R. 4047, amended, private bill; and H. R. 4508, amended, to authorize the sale of certain lands to the State of Oklahoma. Also considered, but held over for further action, H. R. 1797, to provide for the conveyance

of certain land to the State of Oklahoma for the use and benefit of the Eastern Oklahoma Agricultural and Mechanical College at Wilburton, Okla.; H. R. 3542, to authorize the Secretary of the Interior to grant easements for rights-of-way through, over, and under the parkway land along the line of the Chesapeake & Ohio Canal, and to authorize an exchange of lands with other Federal departments and agencies; and H. R. 4690, to provide for the erection of appropriate markers in national cemeteries to honor the memory of members of Armed Forces missing in action.

Beside departmental representatives who testified on the various bills the subcommittee received testimony from the following—Representative Albert, on H. R. 1797; Senator Monroney, on H. R. 1797 and 4508; Representative Allen of California, on H. R. 4047; Representative Hyde, on H. R. 3542; Representative Withrow, on H. R. 2913; J. B. Thane, secretary to Representative Budge, on H. R. 998; and Miles Kennedy, of the American Legion, on H. R. 4690.

EKLUTNA PROJECT, ALASKA

Committee on Interior and Insular Affairs: The Subcommittee on Territories heard a discussion of H. R. 1374, re the Eklutna project appropriations, by Under Secretary of the Interior Ralph Tudor. The subcommittee adopted two amendments, but took no final action on the bill. Adjourned subject to call of the Chair.

RAILROAD RETIREMENT—DUAL BENEFITS

Committee on Interstate and Foreign Commerce: Concluded public hearings on 18 miscellaneous railroad retirement bills, which deal only with the so-called dual-benefits provisions. Final witnesses to testify were Murray W. Latimer, former Chairman, Railroad Retirement Board, representing Brotherhood of Locomotive Firemen and Enginemen, and Brotherhood of Railroad Trainmen; Mrs. Edythe Whitley, secretary-treasurer, Tennessee Railroad Pensioners, Nashville, Tenn.; and Clarence B. Carter, national secretary, Railroad Pension Conference, New Haven, Conn.

Statements for the record were filed by Guy F. Fain, grand president, National Association of Retired and Veteran Railway Employees; John R. Alabaugh, representing United Railroad Operating Crafts, San Francisco, Calif.; John Green, chairman, United Railroad Workers of America, CIO; Willard S. Townsend, international president, United Transport Service Employees of America, Chicago, Ill.; L. O. Castle, general chairman, Railroad Yardmasters of America, Louisville, Ky.; H. G. Hughes, executive vice president, Railroad and Express Pensioners, Hinton, W. Va.; Howard H. Bailey, president, Pennsylvania Railroad Retired Men's Association, Baltimore, Md.; and Arthur Schutzer, State executive secretary, American Labor Party, New York City.

JUSTICE DEPARTMENT

Committee on the Judiciary: The Keating subcommittee which is investigating the administration of the Department of Justice received testimony today from Turner L. Smith, a former assistant to T. Lamar Caudle, ex-Assistant Attorney General. He was questioned in connection with the statement of Lt. (j. g.) Roy J. Bergeron, U. S. Navy, which related the finding, by the lieutenant, of papers recovered from the Patuxent River, Md. Smith told the subcommittee that he had thrown several files in the river after separating from the service of the Department in September 1951. He added that the contents of the files held only unimportant correspondence. Hearings will be continued Monday morning.

EXCESS-PROFITS TAX

Committee on Ways and Means: Marion B. Folsom, Under Secretary of the Treasury, urged favorable action today on the President's recommendation to extend for 6 months the Excess Profits Tax Act. During questioning by the committee, Mr. Folsom stated that a Korean truce at this time would not make any difference in the administration's request. Other witnesses testifying were Lee I. Park, attorney, on behalf of the section of taxation, American Bar Association; F. A. Le Sourd, attorney, on behalf of Superior Portland Cement, Inc., of Seattle, Wash.; J. Cameron Thomson, chairman of the fiscal and monetary committee of the Committee for

Economic Development; Seward Jacobi on behalf of the Wisconsin State Chamber of Commerce, Madison, Wis.; William L. Dolle, president of the Lodge & Shipley Co. of Cincinnati, speaking on behalf of the tax policy subcommittee of the National Machine Tool Builders Association; Robert Shaw, Fulton Controls Co., Greensburg, Pa.; R. G. Parkhurst, assistant treasurer, Santay Corp., Chicago, Ill.; Stan Mueller, secretary-treasurer, Pacific Coast Engineering Co., Alameda, Calif.; and W. A. Williams, president, Dearborn Glass Co., Chicago, Ill. Hearings were recessed until Monday morning.

Joint Committee Meetings

CLASSIFIED ARMY CONSTRUCTION

Joint Meeting: Senate Subcommittee on Real Estate and Military Construction and the House Subcommittee on Acquisition and Disposal (of the respective Armed Services Committees) met jointly in executive session for the consideration of a classified Army construction project in Europe, took no action, and will meet again June 8.

THIRD SUPPLEMENTAL APPROPRIATIONS

Conferees, in executive session, agreed to file a conference report on the differences between the House- and Senate-passed versions of H. R. 4664, third supplemental appropriations.

CONGRESSIONAL PROGRAM AHEAD

Senate Chamber

(Week of June 8-13)

On Monday, Senate Calendar will be called from beginning, and S. Res. 106, New Mexico senatorial election, and S. 690, lease purchase agreements, will be considered on motion if objected to on calendar call. During remainder of week, Senate will consider H. R. 1730, VA transportation, H. R. 5227, Agriculture appropriations, and possibly H. R. 5174, Treasury-Post Office appropriations, the latter two when reported.

Senate Committees

Committee on Appropriations: June 8, Subcommittee on Armed Services, to hear Secretary of Defense Wilson, 10 a. m., 318 Senate Office Building; full committee, executive, to mark up H. R. 5227, Agriculture appropriations, 2 p. m., room F-37, Capitol.

Committee on Armed Services: June 10, Subcommittee on Real Estate and Military Construction, on pending projects;

June 11, open, followed by executive, on calendar bills and nominations.

Committee on Banking and Currency: June 10-12, on S. 76, to define bank holding companies, and S. 1118, to provide for control and regulation of bank holding companies (Government witnesses on 10th, and non-Government witnesses on 11th and 12th).

Committee on the District of Columbia: June 8, Subcommittee on Public Health, Education, Welfare, and Safety, executive, on H. R. 3795, D. C. Police and Fireman's Salary Act, 2 p. m., room P-38, Capitol.

Committee on Foreign Relations: June 8, executive, on nomination of Mason Sears to be U. S. representative for the U. N. Trusteeship Council, 10 a. m.; executive, on mutual security extension, 10:30 a. m.;

June 8, subcommittee, executive, on North American regional broadcasting agreement, 4:30 p. m.;

June 8, subcommittee, executive, on overseas information program, 4:30 p. m.—all above meetings in room F-53, Capitol.

Committee on Government Operations: June 8, Subcommittee on Reorganization, on amendments to Reorganization Act of 1946, 10:30 a. m., 357 Senate Office Building;

June 8, Permanent Subcommittee on Investigations, to question Frank Coe, 10:30 a. m., room P-63, Capitol.

Committee on Interstate and Foreign Commerce: June 10, executive, on calendar bills and nominations.

Committee on the Judiciary: June 8, executive, on calendar bills and nominations, 10:30 a. m., 424 Senate Office Building;

June 10, subcommittee, on S. 784, to prohibit blending of wheat imported as unfit for human consumption with wheat suitable for human consumption;

June 11, subcommittee, on nominations of Jacob S. Temkin to be U. S. attorney for district of Rhode Island, George Harrold Carswell to be U. S. attorney for northern district of Florida, and Clarence H. Spence to be U. S. marshal for district of Delaware;

June 11, subcommittee, on S. J. Res. 8, relative to nomination of President and Vice President, and similar resolutions.

Committee on Post Office and Civil Service: June 9, open, followed by executive, on S. 1684, civil-service appointment of veterans, and S. 2004, to provide for an additional Postmaster General.

Committee on Rules and Administration: June 10, executive, on calendar business.

13. BEEF PURCHASES; TARIFFS. Received Calif. Legislature resolutions urging Congress to continue the Buy-American policy with respect to beef purchases for the armed forces, and to increase tariffs wherever possible to provide "adequate protection to the agricultural and livestock industry" (pp. 6368, 6369).
14. HAWAII STATEHOOD. Received a Hawaii Legislature resolution urging statehood for Hawaii (p. 6369).
15. RECESSED until Wed., June 10 (p. 6407).

HOUSE

16. ECONOMIC CONTROLS. The Banking and Currency Committee reported (June 6, during adjournment) with amendment S. 1081, providing for temporary economic controls (H. Rept. 516). A resolution for the consideration of this bill was also reported (p. 6432). As reported, S. 1081 includes provisions as follows:
 Revises the priorities-allocations title so as to omit the provisions on livestock slaughtering; provide that the powers shall not be used to control the general distribution of any material in the civilian market unless the President finds (1) that the material is scarce and critical, and essential to national defense, and (2) that national-defense requirements for the material cannot otherwise be met without creating a significant dislocation of distribution in the civilian market to a degree creating appreciable hardship; and omit the provisions concerning the International Materials Conference.
 Amends the V-loan program so as to (1) make clear that guaranties may be made in connection with termination of Government contracts and (2) provide that no small-business concern shall be denied a guaranty merely because an alternative source of supply exists.
 Continues until June 30, 1954, the provisions relating to priorities, allocations, hoarding, import controls, expansion of productive capacity and supply, and general provisions relating to administration.
 Provides for termination on June 30, 1953, of provisions relating to requisition, condemnation, real-estate construction credit controls, and small Defense Plants Administration. (The provisions regarding price and wage controls expired April 30, 1953.)
 The House committee version does not contain the standby economic freeze provisions.
 Regarding import controls, the committee report states: "...It is the understanding of the committee that revision of section 22 of the Agricultural Adjustment Act of 1933 to deal effectively with this situation is under active consideration. Pending such revision the Committee believes that section 104 should be continued.

17. APPROPRIATIONS. Received the conference report on H.R. 4664, third supplemental appropriations bill for 1953 (H. Rept. 517) (pp. 6420-21). The conferees agreed to \$7,500,000 for rural telephone loans, instead of \$15,000,000 as proposed by the Senate. (The House version included no item on this subject.)
18. WHEAT MARKETING QUOTA. The Agriculture Committee reported with amendment H.R. 5451, to amend the wheat-marketing quota provisions of the Agricultural Adjustment Act of 1938 (H. Rept. 520) (p. 6432).
19. TRANSPORTATION. The Interstate and Foreign Commerce Committee reported with amendment H.R. 3203, to prohibit the ICC from regulating the duration of certain leases for the use of equipment by motor carriers, and the amount of compensation to be paid for such use (H. Rept. 519) (p. 6432).

20. FARM PRICES. Rep. Thornberry inserted a letter and editorial discussing the effect of low cattle prices on cattle raisers and the community, and the need for price supports on farm products (pp. 6408-09).
21. CORN STORAGE. Rep. Dolliver discussed the corn storage problem in Iowa and urged CCC to move corn on farms as soon as possible and to provide additional storage space (p. 6410).
22. FLOOD CONTROL. Rep. D'Ewart stated that the proclamation by the President and the Montana Governor of a flood disaster area in parts of Montana, makes available to these areas the full support of Government agencies, including loans from FHA (p. 6424).
23. FARM PROGRAM. Received a local Grange petition favoring the "adoption of the Benson Plan over the Brannan Plan" and congratulating the Secretary on his program (p. 6433).
24. APPROPRIATIONS. H. Doc. 162 includes supplemental appropriation estimates as follows: Committee on Retirement Policy for Federal Personnel, \$410,000. Commission on Intergovernmental Relations, \$500,000. Export control Commerce Department, \$4,800,000.

ITEMS IN APPENDIX

25. GRAZING LANDS. Extension of remarks of Rep. D'Ewart including a Montana State Farm Bureau News article favoring H.R. 4023, the stockmen's grazing bill (p. A3446).
26. RECLAMATION. Extension of remarks of Rep. Magnuson discussing a Wall Street Journal article on the development of the Columbia River Basin (p. A3469).
27. GRAIN STORAGE. Rep. Hillelson inserted his letter to Howard Gordon, PMA, "protesting the lack of storage facilities for grain" and urging that every effort be made to secure additional storage space (p. A3472).
28. VETERANS' PREFERENCE. Rep. O'Hara inserted two American Legion statements favoring veterans' preference in employment (pp. A3476-8).

BILLS INTRODUCED

29. FOREST LOANS. S. 2069, by Sen. Cordon; and H.R. 5603, by Rep. Ellsworth, to amend the Federal Reserve Act so as to authorize national banking associations to make loans on forest tracts; to Banking and Currency Committee (pp. 6370, 6433). Remarks of author (pp. 6370-1).
30. TAXATION. H.R. 5597, by Rep. Campbell, relating to the tax treatment to be afforded under section 117 (j) (3) of the Internal Revenue Code in certain cases involving the sale, exchange, or conversion of land with unharvested crops thereon; to Ways and Means Committee (p. 6433).
31. COOPERATIVES. H.R. 5598, by Rep. Davis, to provide tax equity through the taxation of cooperative corporations and to provide tax credits for recipients of dividends from genuine cooperatives; to Ways and Means Committee (p. 6433). Remarks of author (pp. 6425-6).

THIRD SUPPLEMENTAL APPROPRIATION BILL, 1953

JUNE 8, 1953.—Ordered to be printed

Mr. TABER, from the committee of conference, submitted the following

CONFERENCE REPORT

[To accompany H. R. 4664]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4664) making supplemental appropriations for the fiscal year ending June 30, 1953, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 4, 5, 8, 9, 11, 14, 16, 18, 21, 22, and 23, and agree to the same.

Amendment numbered 2:

That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$4,500; and the Senate agree to the same.

Amendment numbered 3:

That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment as follows:

In lieu of the sum named in said amendment insert \$60,000; and the Senate agree to the same.

Amendment numbered 17:

That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment as follows:

In lieu of the sum named in said amendment insert \$7,500,000; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 1, 6, 7, 10, 12, 13, 15, 19, and 20.

JOHN TABER,
CLIFF CLEVINGER,
FRED E. BUSBEY,
CLARENCE CANNON,
JAMIE L. WHITTEN,

Managers on the Part of the House.

STYLES BRIDGES,
HOMER FERGUSON,
GUY CORDON,
CARL HAYDEN,
RICHARD B. RUSSELL,

Managers on the Part of the Senate.

STATEMENT OF THE MANAGERS ON THE PART OF THE HOUSE

The managers on the part of the House at the Conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4664) making supplemental appropriations for the fiscal year ending June 30, 1953, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

CHAPTER I

DISTRICT OF COLUMBIA

Amendment No. 1: Reported in disagreement.

Amendment No. 2: Appropriates \$4,500 for veterans services, instead of \$3,000 as proposed by the House and \$5,000 as proposed by the Senate.

Amendment No. 3: Appropriates \$60,000 for the Office of Civil Defense, instead of \$78,285 as proposed by the Senate. The amount recommended is to be used exclusively for the purchase and installation of the air raid warning system.

CHAPTER II

LEGISLATIVE BRANCH

Amendments Nos. 4 and 5: Insert titles as proposed by the Senate.

Amendments Nos. 6 and 7: Reported in disagreement.

Amendment No. 8: Appropriates \$55,000 for miscellaneous items of the Senate as proposed by the Senate.

Amendment No. 9: Appropriates \$175 for postage stamps as proposed by the Senate.

Amendment No. 10: Reported in disagreement.

Amendment No. 11: Inserts title as proposed by the Senate.

Amendments Nos. 12 and 13: Reported in disagreement.

THE JUDICIARY

Amendment No. 14: Appropriates \$350,000 for fees of jurors as proposed by the Senate.

CHAPTER III

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Amendment No. 15: Reported in disagreement.

CHAPTER IV

DEPARTMENT OF AGRICULTURE

Amendment No. 16: Changes chapter number, as proposed by the Senate.

Amendment No. 17: Authorizes \$7,500,000 to be used for rural telephone loans, instead of \$15,000,000 as proposed by the Senate.

CHAPTER V

INDEPENDENT OFFICES

Amendment No. 18: Inserts chapter number, as proposed by the Senate.

Amendments Nos. 19 and 20: Reported in disagreement.

CHAPTER VI

GENERAL PROVISIONS

Amendments Nos. 21, 22, and 23: Change chapter and section numbers, as proposed by the Senate.

JOHN TABER,
CLIFF CLEVINGER,
FRED E. BUSBEY,
CLARENCE CANNON,
JAMIE L. WHITTEN,

Managers on the Part of the House.



(D. C. Code, sec. 25-128), is amended to read as follows:

"SEC. 28. (a) No person shall in the District of Columbia drink any alcoholic beverage in any street, alley, park, or parking; or in any vehicle in or upon the same; or in or upon any premises where food, nonalcoholic beverages, or entertainment are sold or provided for compensation not licensed under this act; or in any place to which the public is invited for which a license has not been issued hereunder, permitting the sale and consumption of such alcoholic beverage upon such premises except premises licensed under section 11 (1) of this act; or in any place to which the public is invited (for which a license under this act has been issued) at a time when the sale of such alcoholic beverages on the premises is prohibited by this act or by the regulations promulgated thereunder, or in any place for which a license under section 11 (1) of this act has been issued at a time when the consumption of such alcoholic beverages on the premises is prohibited by regulations promulgated under this act. No such person shall be drunk or intoxicated in any street, alley, park, or parking; or in any vehicle in or upon the same or in any place to which the public is invited or at any public gathering and no person anywhere shall be drunk or intoxicated and disturb the peace of any person.

"(b) Any person violating the provisions of this section shall be punished by a fine of not more than \$100 or by imprisonment for not more than 90 days, or both."

(1) Section 29 (a) of the District of Columbia Alcoholic Beverage Control Act, as amended (D. C. Code, sec. 25-129 (a)), is amended to read as follows:

"SEC. 29. (a) A search warrant may be issued by any judge of the municipal court for the District of Columbia or by a United States Commissioner for the District of Columbia when any alcoholic beverages are manufactured for sale, kept for sale, sold, or consumed in violation of the provisions of this act, and any such alcoholic beverages and any other property designed for use in connection with such unlawful manufacture for sale, keeping for sale, selling, or consumption may be seized thereunder, and shall be subject to such disposition as the court may make thereof, and such alcoholic beverages may be taken on the warrant from any house or other place in which it is concealed."

(j) The District of Columbia Alcoholic Beverage Control Act, as amended, is further amended by adding at the end thereof the following new section:

"SEC. 41. (a) Any building, ground, premises, or place where any intoxicating beverage is manufactured, sold, kept for sale, or permitted to be consumed in violation of this act is hereby declared to be a nuisance, and may be enjoined and abated as hereinafter provided.

"(b) An action to enjoin any nuisance defined in subsection (a) of this section may be brought in the name of the District of Columbia by the corporation counsel of the District of Columbia, or any of his assistants, in the civil branch of the municipal court for the District of Columbia against any person conducting or maintaining such nuisance or knowingly permitting such nuisance to be conducted or maintained. The rules of the municipal court for the District of Columbia relating to the granting of an injunction or restraining order shall be applicable with respect to actions brought under this subsection, except that the District as complaining party shall not be required to furnish bond or security. It shall not be necessary for the court to find the building, ground, premises, or place was being unlawfully used as aforesaid at the time of the hearing, but on finding that the material allegations of the complaint are true, the court shall enter an order restraining the

defendant from manufacturing, selling, keeping for sale, or permitting to be consumed any alcoholic beverage in violation of this act. When an injunction, either temporary or permanent, has been granted it shall be binding on the defendant throughout the District of Columbia. Upon final judgment of the court ordering such nuisance to be abated, the court may order that the defendant, or any one claiming under him, shall not occupy or use, for a period of 1 year thereafter, the building, ground, premises, or place upon which the nuisance existed, but the court may, in its discretion, permit the defendant to occupy or use the said building, ground, premises, or place, if the defendant shall give bond with sufficient security to be approved by the court, in the penal and liquidated sum of not less than \$500 nor more than \$1,000, payable to the District of Columbia, and conditioned that intoxicating beverages will not thereafter be manufactured, sold, kept for sale, or permitted to be consumed in or upon the building, ground, premises, or place in violation of this act.

"(c) In the case of the violation of any injunction, temporary or permanent, rendered pursuant to the provisions of this section, proceedings for punishment for contempt may be commenced by the corporation counsel or any of his assistants, by filing with the court in the same case in which the injunction was issued a petition under oath setting out the alleged offense constituting the violation and serving a copy of said petition upon the defendant requiring him to appear and answer the same within 10 days from the service thereof. The trial shall be promptly held and may be upon affidavits or either party may demand the production and oral examination of the witnesses. Any person found guilty of contempt under the provisions of this section shall be punished by a fine of not more than \$1,000 or by imprisonment for not more than 12 months, or by both such fine and imprisonment."

(k) Subsections (b) and (h) of this section shall take effect 60 days after the date of the enactment of this act.

PSYCHIATRIST AND PSYCHOLOGIST

SEC. 405. The Commissioners shall appoint a qualified psychiatrist and a qualified psychologist whose services shall be available to the following officers to assist them in carrying out their duties: (1) The probation officers of the district court and the municipal court, (2) such officers of the juvenile court of the District of Columbia as the judge thereof shall designate, (3) such officers of the Department of Corrections as the Director thereof shall designate, and (4) the Board of Parole of the District.

RECORDS TO BE KEPT BY BONDSMEN

SEC. 406. Section 8 of the act entitled "An act to regulate the business of executing bonds for compensation in criminal cases and to improve the administration of justice in the District of Columbia," approved March 3, 1933 (D. C. Code, sec. 23-608), is amended by inserting "(a)" after "Sec. 8," and by adding at the end of the section the following new subsection:

"(b) Each such court shall prescribe such rules and regulations as may be necessary to insure that whenever a bondsman becomes surety for compensation upon a bond in a criminal case before the court, the bondsman, or his agent, clerk, or representative, shall make a record, which shall be accurate to the best of the maker's knowledge and belief and shall thereafter be open for inspection by the court or its designated representative, and by the designated representative of other law-enforcement agencies of the District of Columbia, of the following matters:

"(1) The full name and address of the person for whom the bond is executed (re-

ferred to in this subsection as the 'defendant') and the full name and address of his employer, if any;

"(2) The offense with which the defendant is charged;

"(3) The name of the court or officer authorizing the defendant's admission to bail;

"(4) The amount of the bond;

"(5) The name of the person who called the bondsman, if other than the defendant;

"(6) The amount of the bondsman's charge for executing the bond;

"(7) The full name and address of the person to whom the bondsman presented his bill for such charge;

"(8) The full name and address of the person paying such charge; and

"(9) The manner of payment of such charge.

Whoever violates any rule or regulation prescribed under this subsection shall be fined not more than \$500 or imprisoned not more than 6 months or both and if he is a bondsman, or the agent, clerk, or representative of a bondsman, shall be disqualified from thereafter engaging in any manner in the bonding business for such a period of time as the trial judge shall order."

EXTRADITION

SEC. 407. (a) Section 930 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, as amended (D. C. Code, sec. 23-401), is amended by inserting "(a)" after "Sec. 930. Extradition.—" and adding at the end thereof the following new subsections:

"(b) The chief judge of the United States District Court for the District of Columbia may also surrender, on demand of the executive authority of any State, any person in the District of Columbia charged in such State in the manner provided in subsection (a) of this section with committing an act in the District of Columbia, or in another State, intentionally resulting in a crime in the State whose executive authority is making the demand, even though the accused was not in that State at the time of the commission of the crime, and has not fled therefrom.

"(c) No person apprehended in accordance with the provisions of subsections (a) and (b) of this section shall be delivered over to the agent whom the executive authority demanding him shall have appointed to receive him unless he shall first be taken before the chief judge of the United States District Court for the District of Columbia who shall inform him of the demand made for his surrender, and of the crime with which he is charged, and that he has the right to demand and procure legal counsel; and if such person or his counsel shall state that he or they desire to test the legality of his arrest, the judge shall fix a reasonable time to be allowed him within which to apply for a writ of habeas corpus. When such writ is applied for, notice thereof, and of the time and place of hearing thereon, shall be given to the United States attorney for the District of Columbia, and to the said agent of the demanding State: *Provided, however,* That nothing contained in this subsection shall prevent such person from waiving his right to appear before the chief judge of the United States District Court for the District of Columbia and voluntarily returning in custody of a proper official to the jurisdiction of the State, Territory, or other possession of the United States which is demanding him."

(b) The act entitled "An act to provide for the detention of fugitives apprehended in the District of Columbia," approved April 21, 1928 (D. C. Code, secs. 23-401-410), is amended by inserting at the end thereof the following new section:

"SEC. 8. (a) The agent of the demanding State to whom the prisoner may have been

delivered in accordance with the provisions of section 930 of the act entitled 'An act to establish a code of law for the District of Columbia,' approved March 3, 1901, as amended, may, when necessary, confine the prisoner in the Washington Asylum and Jail; and the superintendent of the Washington Asylum and Jail must receive and safely keep the prisoner for such reasonable time as will enable the officer or person having charge of him to proceed on his route, such officer or person being chargeable with the expense of keeping.

"(b) The officer or agent of a demanding State to whom a prisoner may have been delivered following extradition proceedings in another State, or to whom a prisoner may have been delivered after waiving extradition in such other State, and who is passing through the District of Columbia with such a prisoner for the purpose of immediately returning such prisoner to the demanding State, may, when necessary, confine the prisoner in the Washington Asylum and Jail; and the superintendent of the Washington Asylum and Jail must receive and safely keep the prisoner for such reasonable time as will enable the officer or agent to proceed on his route such officer or agent, however, being chargeable with the expense of keeping: *Provided, however,* That such officer or agent shall produce and show to the superintendent satisfactory written evidence of the fact that he is actually transporting such prisoner to the demanding State after a requisition by the executive authority of such demanding State. Such prisoner shall not be entitled to demand a new requisition while in the District of Columbia."

QUALIFICATIONS OF JURORS

SEC. 408. (a) Section 199 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, as amended (D. C. Code, sec. 11-1402), is amended to read as follows:

"SEC. 199. The said jurors shall be selected, as nearly as may be, from the different parts of the District, and shall be selected, as nearly as may be, from its intelligent and upright residents."

(b) Section 215 of such act, as amended (D. C. Code, sec. 11-1417), is amended by striking out "and under sixty-five."

REFUSAL TO GIVE TESTIMONY

SEC. 409. (a) Any officer or employee of the District who refuses to testify upon matters relating to his office or employment in any proceeding wherein he is a defendant or is called as a witness, upon the ground that his answer may tend to incriminate him or compel him to be a witness against himself, or who refuses so to testify on such ground when called by a grand jury or a congressional committee, shall forfeit his office or employment and any emolument, perquisite, or benefit (by way of pension or otherwise) arising therefrom, and be disqualified from holding any public office or employment under the District.

(b) Any officer or employee of the District who refuses to testify upon matters relating to his former office or employment in any proceeding wherein he is a defendant or is called as a witness, upon the ground that his answer may tend to incriminate him or compel him to be a witness against himself, or who refuses so to testify on such ground when called by a grand jury or a congressional committee shall forfeit any emolument, perquisite, or benefit (by way of pension or otherwise) arising from such former office or employment, and be disqualified from holding any public office or employment under the District.

(c) If the retirement pay, pension, or annuity of any officer or employee or former officer or employee of the District is forfeited under this section, there shall be paid to such individual a sum equal to (1) the total amount paid by him as contributions toward

such retirement pay, pension, or annuity, plus any accrued interest attributable to such contributions, less (2) the total amount of such retirement pay, pension, or annuity received by him prior to such forfeiture.

CONTEMPT OF THE MUNICIPAL COURT

SEC. 410. (a) Section 5 (c) of the Act of April 1, 1942, as amended (D. C. Code, sec. 11-756 (c)), is amended by inserting before "to punish" the following: "In any case or proceeding, whether civil or criminal,"

(b) The first sentence of section 48 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, as amended (D. C. Code, sec. 11-606), is amended by striking out "to punish contempts by fine not exceeding \$20 and imprisonment for not more than 48 hours, or either, and" and inserting in lieu thereof a comma.

EFFECT OF REORGANIZATION PLAN NUMBERED 5

SEC. 411. Where any provision of this act, or any amendment made by this act, refers to an office or agency abolished by Reorganization Plan No. 5 of 1952, such reference shall be deemed to be to the office, agency, or officer exercising the functions of the office or agency so abolished.

Mr. TALLE (interrupting the reading of the bill). Mr. Chairman, I ask unanimous consent that the further reading of the bill be dispensed with.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

The CHAIRMAN. The Clerk will report the committee amendments.

The Clerk read as follows:

Page 15, strike out the period at the end of line 11 and all that follows down through the word "Code" in line 15, and insert in lieu thereof the following: "by order of any court having jurisdiction, unless good cause is shown to the contrary by the owner, for disposition by public auction or as otherwise provided by law. Bona fide liens against property so forfeited shall, on good cause shown by the lienor, be transferred from the property to the proceeds of the sale of the property."

Page 26, line 3, strike out the word "destroyed," and insert in lieu thereof "destroyed."

Page 48, line 18, insert the word "than" after "for not more."

The committee amendments were agreed to.

The CHAIRMAN. Are there any further amendments?

Mr. TALLE. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. GRAHAM, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 5312) to provide for the more effective prevention, detection, and punishment of crime in the District of Columbia, had directed him to report the bill back to the House with sundry amendments, with a recommendation that the amendments be agreed to and that the bill as amended do pass.

The SPEAKER. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them en gross.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND REMARKS

Mr. TALLE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks in the RECORD on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Iowa? There was no objection.

THIRD SUPPLEMENTAL APPROPRIATION BILL, 1953

Mr. TABER submitted the following conference report and statement on the bill (H. R. 4664) making supplemental appropriations for the fiscal year ending June 30, 1953, and for other purposes:

CONFERENCE REPORT (H. REPT. No. 517)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4664) "making supplemental appropriations for the fiscal year ending June 30, 1953, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 4, 5, 8, 9, 11, 14, 16, 18, 21, 22 and 23, and agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$4,500"; and the Senate agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "\$60,000"; and the Senate agree to the same.

Amendment numbered 17: That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "\$7,500,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 1, 6, 7, 10, 12, 13, 15, 19, and 20.

JOHN TABER,
CLIFF CLEVENGER,
FRED E. BUSEY,
CLARENCE CANNON,
JAMIE L. WHITTEN,

Managers on the Part of the House.

STYLES BRIDGES,
HOMER FERGUSON,
GUY CORDON,
CARL HAYDEN,
RICHARD B. RUSSELL,

Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4664) making supplemental appropriations for the fiscal year ending June 30, 1953, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

CHAPTER I

District of Columbia

Amendment No. 1: Reported in disagreement.

Amendment No. 2: Appropriates \$4,500 for veterans services, instead of \$3,000 as proposed by the House and \$5,000 as proposed by the Senate.

Amendment No. 3: Appropriates \$60,000 for the Office of Civil Defense, instead of \$78,285 as proposed by the Senate. The amount recommended is to be used exclusively for the purchase and installation of the air raid warning system.

CHAPTER II

Legislative branch

Amendments Nos. 4 and 5: Insert titles as proposed by the Senate.

Amendments Nos. 6 and 7: Reported in disagreement.

Amendment No. 8: Appropriates \$55,000 for miscellaneous items of the Senate as proposed by the Senate.

Amendment No. 9: Appropriates \$175 for postage stamps as proposed by the Senate.

Amendment No. 10: Reported in disagreement.

Amendment No. 11: Inserts title as proposed by the Senate.

Amendments Nos. 12 and 13: Reported in disagreement.

The Judiciary

Amendment No. 14: Appropriates \$350,000 for fees of jurors as proposed by the Senate.

CHAPTER III

Department of Health, Education and Welfare

Amendment No. 15: Reported in disagreement.

CHAPTER IV

Department of Agriculture

Amendment No. 16: Changes chapter number, as proposed by the Senate.

Amendment No. 17: Authorizes \$7,500,000 to be used for rural telephone loans, instead of \$15,000,000 as proposed by the Senate.

CHAPTER V

Independent Offices

Amendment No. 18: Inserts chapter number, as proposed by the Senate.

Amendments Nos. 19 and 20: Reported in disagreement.

CHAPTER VI

General provisions

Amendments Nos. 21, 22 and 23: Change chapter and section numbers, as proposed by the Senate.

JOHN TABER,
CLIFF CLEVINGER,
FRED E. BUSBEY,
CLARENCE CANNON,
JAMIE L. WHITTEN,

Managers on the Part of the House.

VETERANS' LEGISLATION

(Mr. LONG asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include letters and telegrams.)

Mr. LONG. Mr. Speaker, as a member of the Committee on Veterans' Af-

fairs, I hear quite often a discussion of service- and non-service connected veterans. I have a speech here which I have delivered before that I am placing in the RECORD this morning and I trust you will find time to read it.

May I say just one word. If it is incumbent upon a man to go to the defense of his country in time of need and make the supreme sacrifice or return home maimed for life, it is just as incumbent upon the Government to take care of him when he returns home sick, distressed and with no place to go.

Mr. Speaker, during the past few weeks, I, like other Members of the House, have received many letters, telegrams and messages from various veterans organizations and individual citizens from my State, protesting the proposed economy cut in the Veterans' Administration's budget. I am speaking specifically of the appropriations to maintain the hospitals and to care for our brave sons who have offered their lives in the defense of our great country.

It is not my purpose, at this time, to discuss this matter at length. I wish rather to make a brief statement here on the floor of the House, not only as a Member of the House, but also as a member of the Veterans' Affairs Committee and the subcommittee on hospitals.

Mr. Speaker, some of the Members seem to have taken upon their shoulders the responsibility of leading the fight to cut the veterans' hospital appropriations down to a point at which many of our hospitals under construction and others now in operation would be forced to curtail their services for veterans. In many instances, construction would be stopped and hospitals would be closed. It would seem to me that some of our Republican friends are trying to make a record of the so-called economy drive in order to appease their party. I am afraid, however, that they have not studied this matter and have not been properly informed as to the tragedy that might take place among the war veterans of this Nation. Mr. Speaker, I am in favor of economy, and I will go along with anyone in this House to cut out extravagance and waste of the taxpayers' money in any department where evidence proves that it is needed, but, Mr. Speaker, I will never cast my vote to reduce the appropriation 1 cent to deprive our veterans of needed hospitalization.

I am wondering just what some of our Republican colleagues will say to the thousands of disabled veterans of this Nation when they return home this summer. If their economy drive succeeds, they will see construction stopped on hospitals which have already been authorized, and, in many cases, they will see a curtailment of medical services now being rendered to many needy disabled veterans of this Nation.

Mr. Speaker, much has been said recently, both here in Congress and throughout the Nation, about the term "service connected" disability cases. I want to pause here and make my position crystal clear in connection with this matter of service-connected and non-service connected cases. When a great

Nation like the United States takes its sons away from their homes and loved ones for service in the Armed Forces, subjecting them to the drilling and training which is required in our Armed Forces, and sometimes sending them to serve in battle, that Nation owes something to those men. If he is fortunate enough to come out alive, the veteran is returned to his home with the task of having to start over again to meet the problems of life. In many cases, due either to physical incapacitation or to other circumstances, he is not able to return to his profession or job. I think, Mr. Speaker, that the least thing that a grateful government can do is to see that this veteran is guaranteed free hospitalization when he is in need of it, regardless if he be classed as a "non-service-connected" case.

As a member of the Veterans' Affairs Committee, although I have only served a few months, I have listened to evidence submitted in connection with the so-called service-connected disability cases. I cannot understand how we can determine, in the majority of cases under the present rules and regulations, whether a man's disability was caused while he was in the service or after he was discharged. There are many veterans today suffering from the tragedies of war, and yet they are unable to prove that their disabilities were caused while in the service. In some cases the veteran's records were lost, and in many cases his disabilities were never recorded. Therefore, Mr. Speaker, it is my plan, in the near future, to ask the Veterans' Affairs Committee to change the rules with regard to the service-connected disability question so that these deserving men and women who left their homes and offered their lives to help defend our great Nation may be accorded fair play in connection with the obligation this Nation has to them. Mr. Speaker, when a veteran of any war finds himself unable to work because of illness, without funds, hungry, with no home, and no place to go, I say that this veteran has a right to expect the Government that he offered his life to defend to take care of him in his hour of distress. In other words, Mr. Speaker, if it is incumbent upon a man to offer his life to defend this country—and I say it is—then it is just as incumbent upon that Government to come to his aid in time of need. Therefore, Mr. Speaker, I shall recommend that when any veteran who has received an honorable discharge from any branch of the armed services, he shall be eligible for admittance to any veterans' hospital, regardless of when or where the disabilities occurred, or the time served in any branch of the armed service.

Mr. Speaker, I am inserting in the RECORD today, a few of the many telegrams and letters which I have received from my district and State, from veterans' organizations and individual citizens, appealing to Congress not to use this false economy ax on the veterans' appropriation. There is one particular letter I want and urge the Members to read. It is a letter from a life-long

friend of mine from Oklahoma. His name is Ernest G. Albright, and he has spent the last 25 years, to my knowledge, crusading in behalf of the welfare of the veterans of all wars. I remember how in 1932 he led the Oklahoma bonus army to Washington to fight for the payment of the adjusted service certificates to the veterans, of whom many were, at that time, facing starvation. He has continuously fought to help individual veterans with their claims and with their problems.

In closing, Mr. Speaker, I urge all of the Members of Congress to give serious thought and consideration to this matter before they vote for any economy move which would prevent America from keeping faith with its gallant men and women who have sacrificed so much in the defense of our great Nation.

SHAWNEE, OKLA., April 15, 1953.

HON. GEORGE S. LONG,
Member of Congress,
Washington, D. C.

DEAR DOC: Congratulations upon your election to Congress. The good citizens of Louisiana are to be congratulated upon electing one of the best friends the ex-servicemen ever had to serve them in Washington.

For some time I have intended writing you in connection with the veterans' hospitals of our country. As you know, Doc, I have been in and out, as a patient, of the veterans' hospitals for the past 10 years, having gone through some 5 major operations. During my hospitalization period it has been my privilege to personally observe the operation and care given ex-servicemen of this Nation. First, I want to express my everlasting gratitude and deep appreciation for the splendid care that has been given me by the Veterans' Administration.

I notice that Representative PHILLIPS, of California, no doubt an able Member of Congress, has been criticizing the Veterans' Administration for giving free hospitalization to the so-called non-service-connected veterans.

As you know, for the past 20 years I have given much of my time in the interest of helping needy veterans with their claims for pension and securing hospitalization. And it is to this point that I want to briefly as possible explain to you some of the tragedies that I have found in connection with the so-called service-connected regulations set up by Congress and administered by the Veterans' Administration.

When a veteran applies for hospitalization and for disability allowances under the present rules and regulations set up by Congress, if he feels that his disabilities are service-connected, it is necessary for him to furnish definite proof, either by his record while in the service or from affidavits from those who served with him. I have found many, many cases of deserving and disabled veterans who have gone through many battles while in the service, but yet for some reason his disabilities had not become known until many years after his discharge from the Army. And when this veteran attempted to prove his service-connected disabilities, in many cases his records were lost or no record made of his illness while in service, or his officers and men who served with him could not be located and in many instances had died.

My contention is that most disabilities of men who served in the Armed Forces can be traced to his service.

I am going to give you one illustration of what I mean about the injustice and the tragedies of the so-called service-connected

question. For convenience we will call these veterans John and Bill.

John and Bill came from separate States of the Union. Both of these men landed at Brest, France, in the early part of 1917. Bill secured a pass from his company to visit Brest one evening, and during his visit he became intoxicated and got into a fight, received a wound in his breast from a knife and was taken to the hospital. He was declared unable to return to his company and was shipped back to the United States as a casualty. Later on in life he was declared a total-disabled veteran, service-connected, from wounds received while in service.

Now let us talk about John, who was in the medical corps, served for 10 months in France, and during his service he was in the Argonne drive.

One night he picked a wounded comrade up on the battlefield and carried him on his shoulders back to the first-aid station. During the trip back he stumbled and hurt his foot. However, John didn't report his accident and he went on through the service and was discharged, and some 6 years after he was discharged he developed what is known as Buerger's disease. He was admitted to the veterans' hospital, and he went through five operations, which resulted in the removal of both legs. He put in a claim for his disabilities but was turned down because there was no record of his disabilities while in service, so he was declared a non-service-connected case. However, he was given \$30 a month pension for nonservice connected. This has now been raised to \$63.

Doctor, I have given these two examples as two men that I have seen and met personally and learned their stories from them.

In closing, I want to assure you that the veterans of this Nation are for you in your fight in behalf of the disabled veterans, and I honestly believe that something should be done by this Congress to adjust the rules and regulations of the Veterans' Administration to eliminate the unfairness of the so-called service-connected cases.

Wishing you the best of success, I remain,
Most sincerely your friend,

ERNEST G. ALBRIGHT.

SHAWNEE, OKLA.

NONSERVICE CONNECTED

BILOXI, MISS.

EDITOR, THE TIMES-PICAYUNE:

In Washington today, both in Congress and from various so-called economy pressure groups there seems to be a move underway, growing steadily stronger, to make some veterans again, as in 1933 under the infamous economy act, the victims. Those of us who are not legally service-connected must, if you please, be thrown back on the care of our individual States. No hospital treatment, no domiciliary care, no pensions—just leave us in our old age, in our disability, to make out as best we can.

Most of us now are 59 or 60 years old. I spent 19 months in overseas service, participated in four major engagements, had the flu. Often half-starved, sleeping in mud, snow, and all kinds of weather. Arrived home, wanting to get out quickly. It took us a month to get discharged. We were worn out. The doctors wanted us to wait—perhaps go to the hospital.

Can any doctor today say whether or not nine-tenths of us are or are not service connected? If the doctors then had had available the diagnostic equipment, and the specialized knowledge that they have today, perhaps we would not be having to fight so hard for the ordinary decencies that are being given us by our Government. Hundreds of thousands of us were unaware of our rights as veterans. We broke down too late to make a valid claim of service connected.

Adequate hospital and domiciliary care, a pension, if we are totally and permanently knocked out, is all we can ever hope to have.

Economy, yes. But not at the expense of the despair of those who willingly fought for us all.

MARTIN L. MONDY.

FOREST HILL, LA., May 18, 1953.

DR. GEORGE LONG.

DEAR CONGRESSMAN: I am writing you in behalf of the veterans' hospital. As the appropriation has been cut and we have more vets than ever before as they are coming back from Korea everyday and we need more hospitals. I am a Gold Star Mother. Please don't let the one down that came back. Please do something about the situation. Thanking you.

MRS. GEORGIA E. HEBERT.

VETERANS OF FOREIGN WARS AUXILIARY,
DEPARTMENT OF LOUISIANA,
Alexandria, La., May 12, 1953.

HON. GEORGE LONG,
Congressman of the Eighth District
of Louisiana, Washington D. C.

DEAR SIR: It is with great anxiety I am writing you. I would like to urge you in the strongest words that I know, to vote against the veterans' bill, being sponsored by Representative JOHN PHILLIPS of California, to cut medical care and hospitalization for veterans.

I am a volunteer worker. In fact I am department hospital cochairman VFW, for a local VA hospital. I put in 150 hours last year visiting and entertaining the sick, and I am happy to do so.

I think to deny one fellow treatment and medical care, would be a disgrace. We are counting on you. Don't let us down.

We think any man that goes through 13 weeks' training in any training center is entitled to treatment and hospitalization and a pension when he is not able to work. I think you feel the same way. I will close and thank you for your cooperation.

MRS. LULA POPE,

Cochairman, Local VA Hospital, Department Louisiana, VFW, Alexandria, La.

AUXILIARY, STERLING
VETERANS OF FOREIGN WARS
AUXILIARY, STERLING-SIMONS
AUXILIARY TO POST 3652,
Alexandria, La., May 12, 1953.

HON. GEORGE S. LONG,
Congressman, Eighth District,
State of Louisiana,
Washington, D. C.

DEAR MR. LONG: The members of Sterling-Simons Post, Auxiliary No. 3652, respectfully request your assistance in defeating Hon. JOHN PHILLIPS, of California, House bill which will if passed be a great injustice to the veterans of this country.

Any curtailment in the Veterans' Administration for the care of its sick and wounded veterans is, in our opinion, an attempt to sidestep our country's obligation to them.

Resolution passed in open meeting.

Cordially,

MRS. LULA POPE,
President, Alexandria, La.
GLADIE ANDREWS,
Secretary, Pineville, La.

TULLOS, LA., May 2, 1953.

HON. GEORGE LONG,
Congressman, House of
Representatives,
Washington, D. C.

SIR: I am asking you, as my Congressman, to support a budget for the Veterans' Administration of not less than \$921 million to

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued June 10, 1953
For actions of June 9, 1953
83rd-1st, No. 105

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HIGHLIGHTS: House passed economic controls bill, including amendment to omit Section 104. House agreed to conference report on 3rd supplemental appropriation bill. House committee reported trade agreements extension bill and bill defining forest mining-claim rights. House Rules Committee cleared wheat marketing quota bill.

HOUSE

1. ECONOMIC CONTROLS. Passed with amendments S. 1081, to authorize temporary economic controls, after adopting a committee substitute amendment that supplied new text for the Senate-passed bill (pp. 6438-83). This bill now provides for a 1-year extension of the allocation and priorities provisions of title I and the production expansion and procurement provisions of title III of the Defense Production Act of 1950. No authority is included for the 90-day standby wage, price, and rent freeze.

The committee amendment also included a 1-year extension of Sec. 104, restricting imports of certain agricultural commodities. Agreed, 123-95, to an Andresen amendment to permit expiration on June 30, 1953, of this section. In offering his amendment Rep. Andresen stated that section 104 was "not necessary considering the proclamation of the President, based upon section 22, which limited the imports of dairy products, on peanuts, peanut oil, flaxseed, and linseed oil." (pp. 6470-75). Reps. Andresen, Multer, Wolcott and others discussed the effects of Sec. 104 and Sec. 22 of the Agricultural Adjustment Act (pp. 6463-75).

Agreed to a Wolcott amendment providing for the insertion of the text of H.R. 5141 (Small Business Admin.) as passed by the House on June 5 (pp. 6475-8).

Rejected, 65-113, a Spence amendment restoring title VIII of the Senate bill providing for temporary price, wage, and rent ceilings (pp. 6478-83).

Agreed to, 46-45, an Oakman amendment to restrict the scope of the term "national defense" in connection with the bill (pp. 6462-3).

2. APPROPRIATIONS. Adopted the conference report on H.R. 4664, third supplemental appropriation bill for 1953. Rep. Andersen previously urged that the full

\$15 million for REA be included in the conference report instead of \$7,500,000 agreed to by conferees. (p. 6437.)

3. FOREIGN TRADE. The Ways and Means Committee reported without amendment H.R. 5495, to extend for 1 year, without change, the President's authority to enter into reciprocal trade agreements and establish a Commission on Foreign Economic Policy (H. Rept. 521) (pp. 6486-87).
4. MINERALS. The Interior and Insular Affairs Committee reported with amendment H.R. 4983, to define the surface rights vested in the locator of a mining claim on public lands hereafter made under U.S. mining laws, prior to issuance of patent (H. Rept. 522) (p. 6487).
Received a Nebraska Legislature memorial urging enactment of a law "giving the mineral rights back to the States" (p. 6487).
5. WHEAT MARKETING QUOTA. The Rules Committee reported a resolution for the consideration of H.R. 5451, to amend the wheat marketing quota provisions of the Agricultural Adjustment Act of 1938 (p. 6487).
6. TRANSPORTATION. The Rules Committee reported a resolution for the consideration of H.R. 3203, to prohibit the ICC from regulating the duration of certain lease for the use of equipment by motor carriers, and the amount of compensation to be paid for such use (p. 6487).
7. WAR POWERS. The Judiciary Subcommittee approved for reporting to the full committee H.R. 2557, extending title 2 of the First War Powers Act (contract authority of the President) through June 30, 1954 (p. D530).
8. AIR POLLUTION. Received a California Legislature memorial on H.R. 2720, providing for rapid amortization of air pollution control facilities constructed by private industry (p. 6487).
9. TVA. Extension of remarks by Rep. Rains defending the record of TVA, outlining four tests of efficiency and good management, and claiming it has "a record of efficiency and operation unequalled in the annals of any Government agency" (pp. 6484-5).

SENATE

10. APPROPRIATIONS. An Appropriations subcommittee ordered reported to the full committee with amendments H.R. 4828, the Interior appropriation bill for 1954 (p. D527).
11. PERSONNEL. The Post Office and Civil Service Committee ordered reported (but did not actually report) with amendments, S. 1684, to facilitate civil-service appointment of persons who lost this opportunity due to service in Armed Forces after June 30, 1950 (p. D527).
The Banking and Currency Committee ordered reported (but did not actually report) without amendment S. 1458, to continue the effectiveness of employee war-risk hazard and detention benefits, until July 1, 1954 (this bill was approved pending receipt of additional information) (p. D527).
12. HOUSING. The Banking and Currency Committee ordered reported (but did not actually report) with amendments S. 1993, to amend the National Housing Act and the Servicemen's Readjustment Act of 1944 with respect to maximum interest rates (p. D527).

Wherever he went he carried his own pack; and in the uttermost parts of the earth he kept his conscience for his guide.

We all look forward to Sunday, June 14, when Nassau County will again welcome the President of the United States, who will journey to Oyster Bay, N. Y., and dedicate Sagamore Hill as a national shrine, thus memorializing for all time the great Theodore Roosevelt.

THIRD SUPPLEMENTAL APPROPRIATION BILL 1953

Mr. TABER. Mr. Speaker, I call up the conference report on the bill (H. R. 4664) making supplemental appropriations for the year ending June 30, 1953, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of June 8, 1953.)

Mr. TABER. Mr. Speaker, the bill as it passed the House carried \$5,000,000; as it passed the Senate it was for \$5,441,875; and the conference agreement is \$5,441,875 plus an item of \$7,500,000 for rural telephone line authorization.

There are a number of amendments in technical disagreement and on all of those which we will recommend recession I shall ask be considered en bloc.

I now yield to the gentleman from Minnesota.

(Mr. H. CARL ANDERSEN asked and was given permission to revise and extend his remarks.)

Mr. H. CARL ANDERSEN. Mr. Speaker, I regret that our conferees did not concur with the Senate and retain the \$15 million in rural telephone loans. Last January I urged the Department of Agriculture to request \$25 million additional loan authorizations as there were many instances of need for loan funds with none available for allocation. Today we are forced to settle for scarcely one-third of that amount. In my opinion this action is being pennywise and pound foolish. The Congress expressed itself almost unanimously that farms in America, together with thousands of small communities, were entitled to better telephone service. Why should we now, by being too tight with loan funds, delay the completion of the rural telephone program.

Last year for the fiscal year 1953, the REA requested a total of \$50 million in loan authorizations for the rural telephone program. The committee and Congress approved \$35 million with the understanding that additional funds would be provided if the demand for such loans made it necessary.

According to information furnished the committee, REA has been unable to approve any new telephone loan applications for the past several months due to lack of funds. A statement received a few days ago from the budget officer of REA indicates that there are about \$106

million in telephone loan applications on hand, of which in excess of \$45 million are under active consideration.

The supplemental request of \$15 million included in the Senate bill would have covered the most urgent of these cases which must be approved prior to June 30 to enable borrowers to exercise options to acquire properties under prior agreement or to enable borrowers to meet deadlines imposed upon them by State regulatory bodies. Accordingly to my information, there are some 40 such cases pending.

In my opinion, the full \$15 million should be included in this conference report instead of the \$7,500,000 finally agreed to by the House conferees. The Senate has included an additional \$17,500,000 for this purpose in the regular 1954 appropriation bill just reported to the Senate. I hope we can retain these additional amounts when the regular bill is considered in conference. Let us remember that these are loan funds, repayable in full with interest. We can afford to be liberal with such loan funds since the repayment record of the mother organization, REA, has been so splendid that little doubt can be had as to the future of the rural telephone program. This is an investment in making farm life more attractive. Telephones today are not a luxury; on farms, especially, they are necessities.

Mr. TABER. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

Mr. TABER. Mr. Speaker, I ask unanimous consent to consider en bloc the following Senate amendments which are in technical disagreement, and on which the House managers intend to offer a motion to recede and concur: Nos. 1, 6, 7, 10, 12, 13, 15, and 20.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER. The Clerk will report the indicated amendments in disagreement.

The Clerk read as follows:

And the limitation of \$27,000 for payment of terminal leave only, in the appropriation of \$125,000 for necessary expenses for "Office of Administrator of Rent Control," contained in the Supplemental Appropriation Act, 1953, is reduced to \$5,850.

Folding documents: The appropriation for folding documents contained in the Legislative Branch Appropriation Act, 1953, is hereby amended to read "For folding speeches and pamphlets at a gross rate not exceeding \$2 per thousand or for the employment of personnel at a gross rate not exceeding \$1.53 per hour per person."

Motor vehicles: For an additional amount for maintaining, exchanging, and equipping motor vehicles for carrying the mails and for official use of the offices of the Secretary and Sergeant at Arms, \$9,331.26, to be derived by transfer from the appropriation for "Folding Documents," fiscal year 1953.

HOUSE OF REPRESENTATIVES

For payment to Mabel H. Withers, widow of Garrett L. Withers, late a Representative from the State of Kentucky, \$12,500.

Rotunda frieze, Capitol Building: For cleaning and restoring the sections of the Rotunda frieze decorated in fresco by Constantino Brumidi and Filippo Costaggini,

\$15,000, to be expended by the Architect of the Capitol under the direction of the Joint Committee on the Library for personal and other services and all other necessary incidental items, without regard to section 3709 of the Revised Statutes, as amended, and to remain available until June 30, 1954.

Senate Office Building: For an additional amount for "Senate Office Building," \$9,200, to remain available until June 30, 1954.

CHAPTER III

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

OFFICE OF EDUCATION

Salaries and expenses

For an additional amount for "Salaries and expenses," \$32,000, to be derived by transfer from the appropriation "Promotion and further development of vocational education," fiscal year 1953.

VETERANS' ADMINISTRATION

Servicemen's indemnities

For an additional amount for "Servicemen's indemnities," \$650,000, to be derived by transfer from the appropriation "Compensation and pensions," and to remain available until expended.

Mr. TABER. Mr. Speaker, I move that the House recede and concur in the Senate amendments.

The Clerk read as follows:

Mr. TABER moves that the House recede from its disagreement to the Senate amendments Nos. 1, 6, 7, 10, 12, 13, 15, and 20, and to concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 19: Page 7, line 17, insert:

"ECONOMIC STABILIZATION AGENCY

"Salaries and expenses

"The amount made available under this head in the Supplemental Appropriation Act, 1953, for the Office of Rent Stabilization is hereby increased from '\$11,000,000' to '\$11,385,000': *Provided*, That none of the funds appropriated in this act shall be used for the payment of annual leave unless the Administrator shall personally certify the payments of such annual leave."

Mr. TABER. Mr. Speaker, I move that the House recede and concur in the amendment with an amendment.

The Clerk read as follows:

Mr. TABER moves that the House recede from its disagreement to the amendment of the Senate numbered 19, and concur therein with an amendment as follows: In lieu of the matter proposed by said amendment insert:

"ECONOMIC STABILIZATION AGENCY

"Salaries and expenses

"The amount made available under this head in the Supplemental Appropriation Act, 1953, for the Office of Rent Stabilization is hereby increased from '\$11,000,000' to '\$11,385,000': *Provided*, That said increase of \$385,000 shall be available only for terminal leave and shall not be used for such payment unless the Administrator shall personally certify the payment of such leave."

The motion was agreed to, and a motion to reconsider the votes by which action was taken on the several motions was laid on the table.

PUBLIC LANDS

Mr. MILLER of Nebraska. Mr. Speaker, I ask unanimous consent that the Subcommittee on Public Lands and

Irrigation may meet this afternoon during general debate.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

COMMITTEE ON RULES

Mr. ALLEN of Illinois. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file any reports or resolutions.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

TEMPORARY ECONOMIC CONTROLS

Mr. ALLEN of Illinois. Mr. Speaker, I call up House Resolution 271 and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That upon the adoption of this resolution, it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 1081) to provide authority for temporary economic controls, and for other purposes, and all points of order against such bill are hereby waived. After general debate, which shall be confined to the bill, and shall continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the 5-minute rule. It shall be in order to consider without the intervention of any point of order the substitute amendment recommended by the Committee on Banking and Currency now in the bill, and such substitute for the purpose of amendment shall be considered under the 5-minute rule as an original bill. At the conclusion of such consideration the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any member may demand a separate vote in the House on any of the amendments adopted in the Committee of the Whole to the bill or committee substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 30 minutes to the gentleman from Mississippi [Mr. COLMER] and yield myself such time as I may desire.

Mr. SPENCE. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the gentleman from Kentucky.

Mr. SPENCE. Mr. Speaker, I understood that although the rule waives points of order and that the bill was reported as one amendment, it would not be in order to move to recommit with instructions, but I understood that the Committee on Rules was going to liberalize that. I understood the chairman to say that he had no objection to it. Was that done?

Mr. ALLEN of Illinois. I would say to the gentleman that he is absolutely correct. When the gentleman from Texas [Mr. PATMAN] appeared before the Committee on Rules, I did say that, but I did not realize the importance of a motion to recommit with instructions. I found out later that that would vio-

late the rules of the House, and I do not believe that this is the proper time to do that. I would also say this, that I saw the gentleman from Texas [Mr. PATMAN] soon after that and explained it to him, and the gentleman told me that he was very pleased that I came to him about it. I said, of course, you have the right on the floor to exercise whatever rights you may have, and that we would always protect those rights; that the Republicans always looked after the interests of the Democratic Party, and I also believe that we are protecting those rights now. I think your rights will be protected, and as long as there is not any shortness or anything against you, probably the only thing that is short about it is that you are short of votes, you lack votes. But, you will be given the opportunity later, I will say to the gentleman, and your rights will be protected.

Mr. SPENCE. The gentleman is reasonably apprehensive that we do not have the votes, and I might suggest when the Committee on Rules offers a rule waiving all points of order, that usually waives the right to proceed in accordance with the fundamental provisions of the rules of the House.

Mr. ALLEN of Illinois. I repeat what I said in the beginning, I thought it would be violating the rules of the House, and I do not believe this is the proper time to start any precedent.

Mr. COLMER. Mr. Speaker, I yield 10 minutes to the gentleman from Texas [Mr. PATMAN].

(Mr. PATMAN asked and was given permission to revise and extend his remarks and include statements and excerpts.)

AN ATTACK ON REPRESENTATIVE GOVERNMENT

Mr. PATMAN. Mr. Speaker, first I appreciate the fact that when the gentleman changed his mind about the rule he got in touch with me, and he tried to get in touch with the former chairman of the committee, the gentleman from Kentucky [Mr. SPENCE], but was unable to do so, to tell him that he just could not go through with what he said about presenting the amendment allowing a motion to recommit with or without instructions. But I do not agree with the gentleman that he could not provide for a motion to recommit without violating the rules of the House. I have always considered that the Committee on Rules was organized for that purpose, to set up special rules notwithstanding the rules of the House, and that being true the Committee on Rules is the place you go to get a special rule. That is the place we went to get a special rule. This involves representative government. This is an attack upon representative government. It not only involves depriving an individual Member of his rights and privileges or the minority of its rights and privileges; this is an attack on representative government genuinely conducted by the people. It is far reaching, and I will tell you how it works.

Last week we had a bill, the Small Business Administration bill, and after we agreed to the bill, the chairman said, "Well, we want a clean bill."

That is all right. There is a difference as to what constitutes a clean bill. Now, the chairman considers a clean bill is to put it all in one and put on an amendment to the bill that was introduced, and that is a clean bill. I do not consider it that way, of course. I am not saying I am right and he is wrong or that he is wrong and I am right; I am just saying I have always considered a clean bill one that was gotten up as the committee endorsed it and then reintroduced by the original author or by the chairman of the committee as a clean bill.

Last week in the Small Business Administration bill the amendment was tied onto it, which made it devastating to those of us who wanted to make a good, workable law out of the Small Business Administration bill. We in the Small Business Committee made it \$500 million capital. The Banking and Currency Committee changed it to \$250 million. We had an unlimited amount as to any one application, leaving it to the definition of what small business is as to those coming within the category, regardless of what would qualify. The committee restricted it to \$100,000.

Normally when bills come on the floor of the House the committee presents the bills and we vote on them. Of course, they would be adopted in the Committee of the Whole as usual. But when the Committee of the Whole makes a report to the whole House, then we can get a separate vote and have a recorded vote, which any Member of this Congress is entitled to have, a separate recorded vote. But the way the bill was fixed up that was impossible. We did not make any objection and I did not complain about that, because the rule said that we would have a right to make a motion to recommit. I made the motion to recommit, but then I found out I was tripped up the second time, that although the rule said, yes, one motion to recommit would be allowed, and I was making it, as I represented the minority, the Speaker had to hold it out of order because just a straight motion to recommit without instructions was allowed. So it deprived us of the right to express ourselves as individual Members of Congress and as a minority in the vital questions in that bill. So we were gagged. We were gagged twice.

Having had that experience, we had another bill reported out. Of course, the committee's doing that once may be accidental or exceptional, and maybe it was best in that case for some reason. I do not know about that and I am not arguing about it. I am not condemning anybody about it. But it actually happened. It gagged us twice.

Let us forget about that, but there is another bill that came out of the same committee and it happened the same way. Instead of offering a clean bill, what I have always considered a clean bill, here is another whole bill with our amendment over at the back. That will deprive Members again of any vote on any amendment that was adopted in the committee. It absolutely gags us again.

Then we went before the Rules Committee, and we asked the Rules Committee to give us a rule that would per-

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued
For actions of

June 11, 1953
June 10, 1953
83rd-1st, No. 106

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HIGHLIGHTS: Both Houses received President's message recommending shipment of surplus wheat to Pakistan. House Rules Committee cleared trade agreements extension bill. Senate completed final congressional action on 3rd supplemental appropriation bill. Sen. Aiken introduced bill amending wheat marketing law. Sen. Humphrey introduced and discussed bill to increase carryover and acreage allotments for corn and wheat. Sen. Aiken, and Reps. Hope, et al, introduced bills to transfer surplus wheat to Pakistan. Rep. Hagen, et al, introduced bills establishing 3-year base for determining cotton quotas, and Rep. Hagen discussed these bills. Sen. Morse introduced and discussed measure to provide timber access roads. Senate conferees were appointed on economic controls bill. Senate debated Treasury-Post Office appropriation bill.

SENATE

- 1. ECONOMIC CONTROLS.** Sens. Capehart, Bricker, Bennett, Bush, Maybank, Fulbright, and Robertson were appointed as conferees on S. 1081, authorizing temporary economic controls (p. 6531-35). House conferees have not yet been appointed.
- 2. APPROPRIATIONS.** Adopted the conference report on H.R. 4664, third supplemental appropriation bill for 1953 (p. 6539). This bill will now be sent to the President. The bill includes the following items for this Department: \$3,150,000 (to be derived by transfer from any other appropriations available to the Department) to begin formulation of acreage-allotment and marketing-quota programs on wheat and cotton; \$5,000,000 for construction of timber access roads to permit removal of insect-infested and insect-killed trees in Montana and Idaho; and \$7,500,000 for the rural telephone loan program.
Began debate on H.R. 5174, Treasury-Post Office appropriation bill for 1954 (pp. 6539-40, 6542-46, 6549-51, 6554).
- 3. RECLAMATION.** The Interior and Insular Affairs Committee reported without amendment S. 2097, to increase to \$33 million the authorization for construction of the Eklutna Project, Alaska (S. Rept. 383) (pp. 6497-98).
Received an Oklahoma Legislature resolution requesting that gas-production companies in the Guymon-Hugoton field be permitted to deliver natural gas to irrigation farmers in the area to help alleviate drought without being classified as a utility company (p. 6491).
- 4. HOUSING.** The Banking and Currency Committee reported with amendments S. 1993, to amend the National Housing Act and the Servicemen's Readjustment Act of 1944 with respect to maximum interest rates (S. Rept. 386) (p. 6495).

5. SMALL BUSINESS. The Rules and Administration Committee reported a resolution increasing the limit of expenditures for the Select Committee on Small Business (p. 6495).
6. SUGAR; FOREIGN TRADE. Received the treaty, dated Aug. 31, 1952, prolonging the international agreement regarding regulation and marketing of sugar, signed at London, May 6, 1937 (Ex. L, 83d Cong.) (p. 6554).
7. TEXTILE INDUSTRY. Sen. Maybank spoke on the rising economic position of the South, emphasizing the growth and development of the textile industry there (pp. 6535-39).
8. NOMINATION of Nelson Aldrich Rockefeller as Under Secretary of Health, Education, and Welfare was confirmed (p. 6556).
9. FLAMMABLE FABRICS. The Interstate and Foreign Commerce Committee ordered reported (but did not actually report) without amendment H.R. 5069, to prohibit the movement in interstate commerce of highly flammable fabrics (p. D535).
10. ELECTRIFICATION. Received an amendment to the agricultural appropriation bill submitted by Sen. Young to increase to 20% the amount of money which may be allocated to a State from the REA contingency fund for rural electrification (p. 6490).
11. TREATIES. Sen. Brieker inserted two resolutions and an editorial in favor of his proposed constitutional amendment to limit the treaty-making power (pp. 6491-92).
12. CATTLE INDUSTRY. Sen. Thye inserted an American National Cattlemen's Association memorial to Congress and the Secretary setting forth the proposals by which the cattle industry is attempting to find a solution to its problems (pp. 6493-94).
13. EXPENDITURES. Sen. Schoeppel inserted a Wichita Manufacturers' Club resolution urging Congress to eliminate wasteful operations and unnecessary spending, and to reduce the size and activities of the Federal Government (p. 6494).
14. INTEREST RATES. Sens. Humphrey, Morse, Maybank, Goldwater, and others, discussed recent increased interest rates, and Sen. Humphrey recommended a congressional investigation on the effects of this new policy on our economy (pp. 6511-31). During discussion of this matter Sen. Humphrey stated, "the new administration dealt a double-barreled blow at agriculture through its new high-interest rate policy" by a boost in interest rates on CCC supported loans and on foreign purchases of agricultural commodities by the Export-Import Bank (pp. 6525-6).

HOUSE

15. FOREIGN AID. Both Houses received the President's message recommending authorization for shipment of up to 1 million tons of surplus CCC wheat to Pakistan; to H. Agriculture and S. Agriculture and Forestry Committees (H. Doc. 171) (pp. 6540, 6563-4). The message states, "To make it available to Pakistan will create no additional Government expenditure at this time other than the cost of transportation. In order that the operations of the Commodity Credit Corporation will not be impaired, I am recommending that the legislation include authority for the Commodity Credit Corporation to recover its costs, including

social-welfare schemes, they have stifled industrial initiative by running up the costs of doing business? Have they, either blindly in their altruism, or in surrendering to various kinds of pressures, lost the sense of economic balance? Have they saddled themselves with burdens too heavy for their industries to bear, in the face of the competitive situation both domestically and abroad?

If so, it is hardly for them to point a finger of scorn and to shout, "Unfair!" at those regions where business foresight has permitted technological progress to be passed on in good measure to the consumer in the form of lower and competitive prices for products. Nor can any good come of inviting one region to transfer the faults and ailments which caused its hardships to other regions that are proving more adaptable for certain industries.

Instead, it is my opinion that if any such region or section exists in America, it would be well advised to take courage from the example of dynamic Americanism which the new industrial South offers. Courage, yes, and inspiration and counsel.

Freedom and opportunity; youthfulness and vigor; fair measure given for fair value received. These are the watchwords of southern industry. This, after all, is what most Americans are striving for—a constantly higher scale of living, more and better products and the money with which to buy a fair share of them. If all industry, labor, and agriculture can move ahead together toward this greater goal, the well-being and security of the entire national community will ever be uplifted, and America need never fear for the future.

ORDER FOR RECESS

Mr. KNOWLAND. Mr. President, I ask unanimous consent that when the Senate completes its business this afternoon, it recess until noon tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

THIRD SUPPLEMENTAL APPROPRIATIONS, 1953—CONFERENCE REPORT

Mr. BRIDGES. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4664) making supplemental appropriations for the fiscal year ending June 30, 1953, and for other purposes. I ask unanimous consent for the immediate consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report. (For conference report, see CONGRESSIONAL RECORD of June 8, 1953, p. 6420.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the report was considered and agreed to.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing

its action on certain amendments of the Senate to House bill 4664, which was read, as follows:

IN THE HOUSE OF REPRESENTATIVES, U. S.,
June 9, 1953.

Resolved, That the House recede from its disagreement to the amendments of the Senate Numbered 1, 6, 7, 10, 12, 13, 15, and 20 to the bill (H. R. 4664) entitled "An act making supplemental appropriations for the fiscal year ending June 30, 1953, and for other purposes," and concur therein; that the House recede from its disagreement to the amendment of the Senate No. 19, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert:

"ECONOMIC STABILIZATION AGENCY "SALARIES AND EXPENSES

"The amount made available under this head in the Supplemental Appropriation Act 1953, for the Office of Rent Stabilization is hereby increased from '\$11,000,000' to '\$11,385,000': *Provided*, That said increase of \$385,000 shall be available only for terminal leave and shall not be used for such payment unless the Administrator shall personally certify the payment of such leave."

Mr. BRIDGES. I move that the Senate concur in the amendment of the House to Senate amendment No. 19.

The motion was agreed to.

TREASURY AND POST OFFICE DEPARTMENTS APPROPRIATIONS, 1954

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the unfinished business may be temporarily laid aside, and that calendar No. 377, H. R. 5174, the Treasury and Post Office Departments appropriations bill, may be taken up at this time.

Mr. DOUGLAS. Mr. President, reserving the right to object, may I ask the distinguished acting majority leader when the bill, report, and hearings were made available?

Mr. KNOWLAND. Mr. President, it is now proposed that the bill be taken up by unanimous consent because only 2 days have elapsed since the bill was reported by the Senate Committee on Appropriations. In the normal course of events, tomorrow would be the day when the bill would be called up. However, the Senate Committee on Appropriations has reported no amendment whatever to the bill as it passed the House. The committee has not raised or lowered the amount by a dollar. The committee has neither added nor subtracted any language, either in the form of legislation on an appropriation bill or otherwise. Under those circumstances, I wonder if the Senator from Illinois would not be willing to have the bill taken up at this time, since it was reported on Monday.

Mr. DOUGLAS. At what hour on Monday?

Mr. KNOWLAND. In the afternoon.

Mr. DOUGLAS. Only two calendar days have elapsed since then.

Mr. KNOWLAND. Frankly, I say to the Senator from Illinois that I fully realize that any Senator may raise objection to having the bill called up at this time. In the unusual situation that the bill as it came from the House has not been changed by the Senate com-

mittee, I was hopeful the Senate might consider the Treasury-Post Office appropriation bill, in the interest of expediting the business of the Senate, and in the hope that if we dispose of it and a number of other bills which are now before the Senate, we might then be able to recess from Thursday to Monday, in order to give the Committee on Foreign Relations an opportunity to work on the mutual aid bill, and afford a similar opportunity to some other committees, the members of which have been trying to be both on the floor and in hearings at the same time.

Mr. DOUGLAS. It is not my intention to delay the procedure of the Senate, and in this instance I shall not object to the unanimous-consent request of the Senator from California. However, in general I think it is very important that Senators be given three full days in which to study appropriation bills, the hearings on them, and the reports, as prescribed by section 139 (a) of the standing rules of the Senate.

With the understanding that the contemplated procedure will not constitute a precedent, and that in the future three full calendar days will be afforded Senators for consideration of appropriation bills and for study of necessary documents, I shall not object in this instance. However, in the future I shall raise points of order.

Mr. KNOWLAND. I thank the Senator from Illinois.

Mr. MORSE. Mr. President, reserving the right to object, I understand, of course, that the acting majority leader cannot say how long it will take to dispose of the bill, but I wish to ask him for his best estimate, because I should like to know whether he thinks it will be possible for us to begin consideration of the bill relating to the District of Columbia before the afternoon is over.

Mr. KNOWLAND. As the distinguished Senator from Oregon can appreciate, I have no way of estimating. I understand some amendments may be offered to the appropriation bill, inasmuch as the bill as reported by the committee is in the form in which it came from the House; but I do not believe it will be necessary to pursue the course which was followed in the case of the State, Justice, and Commerce appropriation bill. However, whether the Treasury-Post Office bill can be disposed of in 1 hour or 2 hours I am simply in no position at this moment to say. I am certain the Senator from Oregon appreciates that.

Mr. MORSE. Does the Senator contemplate that when action is completed on the Treasury-Post Office appropriation bill, which he now asks to have made the unfinished business of the Senate, we shall take up the District of Columbia crime bill?

Mr. KNOWLAND. I should say that if the unexpected happened, and the appropriation bill was quickly disposed of, as on rare occasions I have seen an appropriation bill finished, we would then take up and at least begin debate on the District of Columbia crime bill; otherwise, we shall take it up tomorrow,

immediately following completion of action on the appropriation bill.

Mr. MORSE. I shall not object, but it is necessary for me to leave the city on a late plane tomorrow night. I find myself in disagreement with the mandatory section of the District of Columbia crime bill, and I have a body of data which I wish to present to the Senate in opposition to that provision of the bill. I may find it necessary during the course of the debate on the appropriation bill to make my record against the mandatory sentencing section of the District crime bill, because I necessarily must leave here tomorrow night so that I may speak to the Democrats of my State on Friday night.

Mr. KNOWLAND. Of course, the Senator will have the privilege, if he feels that time is running out on him, to obtain the floor in his own right.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (H. R. 5174) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1954, and for other purposes.

Mr. KNOWLAND. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded, and that further proceedings under the call be dispensed with.

The PRESIDING OFFICER (Mr. FLANDERS in the chair). Without objection, it is so ordered.

FEDERAL AID IN TORNADO-STRIKEN AREAS IN MASSACHUSETTS

Mr. SALTONSTALL. Mr. President, since the Senate convened today I have talked with the Governor of Massachusetts, Governor Herter, who spoke from the city hall in Worcester. He informs me that he has sent a telegram to the President of the United States advising him that he has declared an emergency in the city of Worcester. The President's office advises me that the matter has been referred to the Civil Defense Department, under former Governor Peterson.

There is available approximately \$20 million for the entire United States. It is estimated, according to the Governor of Massachusetts, that the damage from the tornado in Massachusetts, in towns outside Worcester, is approximately \$30 million. In the city of Worcester the assessors estimate the damage to be somewhere between \$30 million and \$50 million.

At the request of the Governor of Massachusetts on behalf of myself and my colleague, the junior Senator from Massachusetts [Mr. KENNEDY], I ask unanimous consent to submit a resolution and request that it be referred to the Senate Committee on Appropriations

in order that, after proper consideration, and as soon as possible, when the amount is determined and when a determination is made as to the appropriate aid from the Federal Government in one of the worst catastrophes we in Massachusetts have ever suffered, proper assistance may be rendered by the Federal Government.

The PRESIDING OFFICER. Without objection, the resolution will be received and appropriately referred.

The resolution (S. Res. 118) submitted by Mr. SALTONSTALL (for himself and Mr. KENNEDY) was referred to the Committee on Public Works, as follows:

Resolved, That the President is requested to make available, from any funds heretofore or hereafter appropriated to carry out the act entitled "An act to authorize Federal assistance to States and local governments in major disasters, and for other purposes," approved September 30, 1950, not less than \$25 million for assistance to the State of Massachusetts, the city of Worcester, Mass., and neighboring cities and towns to alleviate hardship and suffering and to repair property damage caused by the tornado which struck the area in the vicinity of Worcester on June 9, 1953.

TRANSFER OF PRICE-SUPPORT WHEAT TO PAKISTAN—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 171)

The PRESIDING OFFICER (Mr. FLANDERS in the chair). The Chair lays before the Senate a message from the President of the United States relating to the shipment of wheat to Pakistan. Inasmuch as the message has been read in the House of Representatives today, it is not necessary to have it read in the Senate. Without objection, the message will be referred to the Committee on Agriculture and Forestry without reading.

(For text of message from the President, see House proceedings of today's Record.)

Mr. AIKEN. Mr. President, in relation to the message from the President of the United States which was just laid before the Senate, on behalf of myself, the Senator from California [Mr. KNOWLAND], the Senator from New Jersey [Mr. SMITH], and the Senator from Ohio [Mr. TAFT], I ask unanimous consent to introduce for appropriate reference a bill to provide for the transfer of price-support wheat to Pakistan.

The PRESIDING OFFICER. Without objection, the bill will be received and appropriately referred.

The bill (S. 2112) to provide for the transfer of price-support wheat to Pakistan, introduced by Mr. AIKEN (for himself and other Senators), was referred to the Committee on Agriculture and Forestry.

ADDRESS BY THE PRESIDENT AT MINNEAPOLIS, MINN.

Mr. KNOWLAND. Mr. President, I ask unanimous consent to have printed in the body of the RECORD an address which was delivered this afternoon at Minneapolis, Minn., by the President of the United States.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY THE PRESIDENT DELIVERED AT THE ANNUAL CONVENTION OF THE NATIONAL JUNIOR CHAMBER OF COMMERCE

I thank you sincerely for the honor of your invitation to be with you today.

Yours is one of our Nation's most distinguished and enterprising organizations. You are young and responsible people, with impressive careers and achievements already recorded to your credit. My own life has been spent with America's young people. The grave decisions that I have been compelled to make have been vindicated by their skill, their sense of responsibility, and their sacrifice. My faith in them is my unbounded faith in America itself.

Because you are both young and responsible, you know what is your greatest responsibility of all—tomorrow—the whole future of freedom.

In the minds of all of you—as in my own mind—is a long list of critical subjects confronting our people today. I wish I could discuss all of them with you—the problems of healthy foreign trade; the regulation of Government expenditures; the achieving of a more just tax structure; the development of sound agricultural programs; the great work to be done in the fields of education, health and welfare.

There is, however, one matter that overshadows all of these. It is the constant, controlling consideration in our national life today. It is—our Nation's security.

Quickly we can see how this one issue effectively rules all others. It alone comes close to fixing the level of Government budgets—when 2 of every 3 dollars spent by our Federal Government go to defense purposes. It thereby almost automatically sets the requirements for Federal taxes. It directly affects the welfare of our farms, so dependent upon wide opportunities for export. And it is intimately bound up with foreign trade—for our own imports of such critical products as nickel and cobalt and mica are essential to our national security.

It is no wonder that our national security is so vast a matter—for the struggle in which freedom today is engaged is quite literally a total and universal struggle. It engages every aspect of our lives. It is waged in every arena in which a challenged civilization must fight to live.

It is a military struggle—on the battlefields of Korea, of Indochina, or Malaya.

It is an economic struggle—in which the equivalent of a lost battle can be suffered in a ruined rice crop in Asia, or in the lagging of a critical production line in America.

It is a political struggle—speaking at the conference tables of the United Nations, in the daily diplomatic exchanges that flood the cable wires and telephone lines of the world.

It is a scientific struggle—in which atomic energy plants and colossal research projects can produce terrible wonders matching in fateful effect the inventions of the wheel or of gunpowder.

It is an intellectual struggle—for the press and the radio, every spoken and printed word, can either inspire or weaken men's faith in freedom.

It is a spiritual struggle—for one of communism's basic assumptions about the nature of men is that they are incapable of ruling themselves, incapable of attaining the spiritual standards and strength to solve national problems when these require voluntary personal sacrifice for the common good. This is the Communist justification for regimentation. All this we deny. And we must seek in our churches, our schools, our homes and our daily lives the clearness of mind and strongness of heart to guard the chance to live in freedom.

For this whole struggle, in the deepest sense, is waged neither for land nor for food nor for power—but for the soul of man himself.

Public Law 59 - 83d Congress
Chapter 113 - 1st Session
H. R. 4664

AN ACT

All 67 Stat. 57.

Making supplemental appropriations for the fiscal year ending June 30, 1953, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, to supply supplemental appropriations for the fiscal year ending June 30, 1953, and for other purposes, namely: Third Supplemental Appropriation Act, 1953.

CHAPTER I

DISTRICT OF COLUMBIA

FISCAL SERVICE

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses, Fiscal Service", \$100,000.

COMPENSATION AND RETIREMENT FUND EXPENSES

DISTRICT GOVERNMENT EMPLOYEES' COMPENSATION

For an additional amount for "District government employees' compensation", \$41,500.

REGULATORY AGENCIES

SALARIES AND EXPENSES, OFFICE OF ADMINISTRATOR OF RENT CONTROL

For an additional amount for "Salaries and expenses, Office of Administrator of Rent Control", \$17,000, and the limitation of \$27,000 for payment of terminal leave only, in the appropriation of \$125,000 for necessary expenses for "Office of Administrator of Rent Control", contained in the Supplemental Appropriation Act, 1953, is reduced to \$5,850. 66 Stat. 637.

PUBLIC SCHOOLS

OPERATING EXPENSES

General Administration, Supervision and Instruction

For an additional amount for "General administration, supervision and instruction", \$60,000.

VETERANS' SERVICES

For an additional amount for "Veterans' services", \$4,500.

OFFICE OF CIVIL DEFENSE

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses, Office of Civil Defense", \$60,000.

COURTS

UNITED STATES COURTS

For an additional amount, fiscal year 1951, for "United States courts", \$4,764.

PUBLIC WELFARE

SAINT ELIZABETHS HOSPITAL

For an additional amount for "Saint Elizabeths Hospital", \$824,243.

SETTLEMENT OF CLAIMS AND SUITS

For the payment of claims in excess of \$250, approved by the Commissioners in accordance with the provisions of the Act of February 11, 1929, as amended (45 Stat. 1160; 46 Stat. 500; 65 Stat. 131),

D. C. Code
1-902 to 1-905.

\$45,014.

JUDGMENTS

For the payment of final judgments rendered against the District of Columbia, as set forth in House Document Numbered 106 (Eighty-third Congress), together with such further sums as may be necessary to pay the interest at not exceeding 4 per centum per annum on such judgments, as provided by law, from the date the same became due until the date of payment, \$527.

AUDITED CLAIMS

For an additional amount for the payment of claims, certified to be due by the accounting officers of the District of Columbia, under appropriations the balances of which have been exhausted or credited to the general fund of the District of Columbia as provided by law (D. C. Code, Title 47, sec. 130a), being for the service of the fiscal year 1950 and prior fiscal years, as set forth in House Document Numbered 106 (Eighty-third Congress), \$175,600.

58 Stat. 533.

DIVISION OF EXPENSES

The sums appropriated in this Act for the District of Columbia shall, unless otherwise specifically provided for, be paid out of the general fund of the District of Columbia, as defined in the District of Columbia Appropriation Acts for the fiscal years involved.

CHAPTER II

LEGISLATIVE BRANCH

SENATE

CONTINGENT EXPENSES OF THE SENATE

Folding documents: The appropriation for folding documents contained in the Legislative Branch Appropriation Act, 1953, is hereby amended to read "For folding speeches and pamphlets at a gross rate not exceeding \$2 per thousand or for the employment of personnel at a gross rate not exceeding \$1.53 per hour per person".

66 Stat. 466.

Motor vehicles: For an additional amount for maintaining, exchanging, and equipping motor vehicles for carrying the mails and for official use of the offices of the Secretary and Sergeant at Arms, \$9,331.26, to be derived by transfer from the appropriation for "Folding Documents", fiscal year 1953.

Miscellaneous items: For an additional amount for "Miscellaneous items", exclusive of labor, \$55,000.

Postage stamps: For an additional amount for postage stamps for the Office of the Sergeant at Arms of the Senate, \$175.

HOUSE OF REPRESENTATIVES

For the payment to Mabel H. Withers, widow of Garrett L. Withers, late a Representative from the State of Kentucky, \$12,500.

ARCHITECT OF THE CAPITOL

CAPITOL BUILDINGS AND GROUNDS

Rotunda frieze, Capitol Building: For cleaning and restoring the sections of the Rotunda frieze decorated in fresco by Constantino Brumidi and Filippo Costaggini, \$15,000, to be expended by the Architect of the Capitol under the direction of the Joint Committee on the Library for personal and other services and all other necessary incidental items, without regard to section 3709 of the Revised Statutes, as amended, and to remain available until June 30, 1954.

Senate Office Building: For an additional amount for "Senate Office Building", \$9,200, to remain available until June 30, 1954.

THE JUDICIARY

OTHER COURTS AND SERVICES

FEES OF JURORS

For an additional amount for "Fees of jurors", \$350,000.

CHAPTER III

DEPARTMENT OF HEALTH, EDUCATION, AND
WELFARE

OFFICE OF EDUCATION

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", \$32,000, to be derived by transfer from the appropriation "Promotion and further development of vocational education", fiscal year 1953.

CHAPTER IV

DEPARTMENT OF AGRICULTURE

PRODUCTION AND MARKETING ADMINISTRATION

AGRICULTURAL PRODUCTION PROGRAMS

For an additional amount for formulating acreage-allotment and marketing-quota programs on wheat and cotton, to be derived by transfer from any other appropriations available to the Department of Agriculture, \$3,150,000, of which not more than \$600,000 shall be transferred to the account "Administrative expenses, section 392, Agricultural Adjustment Act of 1938".

52 Stat. 69.
7 USC 1392.

FOREST SERVICE

FOREST ROADS AND TRAILS

For an additional amount for construction of timber access roads to permit removal of insect-infested and insect-killed trees in Montana and Idaho, \$5,000,000, to remain available until expended.

RURAL ELECTRIFICATION ADMINISTRATION

LOAN AUTHORIZATIONS

49 Stat. 1363. For an additional amount for rural telephone loans in accordance with the Rural Electrification Act of 1936, as amended (7 U. S. C. 901-924), and for carrying out the provisions of section 7 thereof, to be borrowed from the Secretary of the Treasury in accordance with the provisions of section 3 (a) of said Act, \$7,500,000.

CHAPTER V

INDEPENDENT OFFICES

ECONOMIC STABILIZATION AGENCY

SALARIES AND EXPENSES

66 Stat. 657. The amount made available under this head in the Supplemental Appropriation Act, 1953, for the Office of Rent Stabilization is hereby increased from "\$11,000,000" to "\$11,385,000": *Provided*, That said increase of \$385,000 shall be available only for terminal leave and shall not be used for such payment unless the Administrator shall personally certify the payment of such leave.

VETERANS' ADMINISTRATION

SERVICEMEN'S INDEMNITIES

For an additional amount for "Servicemen's indemnities", \$650,000, to be derived by transfer from the appropriation "Compensation and pensions", and to remain available until expended.

CHAPTER VI

GENERAL PROVISIONS

Strikes or
overthrow of
Government.
Affidavit.
Penalty.

SEC. 601. No part of any appropriation contained in this Act, or of the funds available for expenditure by any corporation included in this Act, shall be used to pay the salary or wages of any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided*, That for the purposes hereof an affidavit shall be considered prima facie evidence that the person making the affidavit has not contrary to the provisions of this section engaged in a strike against the Government of the United States, is not a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or that such person does not advocate, and is not a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided further*, That any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence and accepts employment the salary or wages for which are paid from any

appropriation or fund contained in this or any other Act shall be guilty of a felony and, upon conviction, shall be fined not more than \$1,000 or imprisoned for not more than one year, or both: *Provided further*. That the above penalty clause shall be in addition to, and not in substitution for, any other provisions of existing law.

SEC. 602. This Act may be cited as the "Third Supplemental Short title. Appropriation Act, 1953".

Approved June 15, 1953.

